



Meeting of the

# TOWER HAMLETS COUNCIL

---

Wednesday, 16<sup>th</sup> May 2012  
at 7.45 p.m.

or at the rising of the Annual Council Meeting, if later.

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## A G E N D A

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### VENUE

Council Chamber, 1<sup>st</sup> Floor,  
Town Hall, Mulberry Place,  
5 Clove Crescent,  
London E14 2BG

If you require any further information relating to this meeting, would like to request a large print, Braille or audio version of this document, or would like to discuss access arrangements or any other special requirements, please contact:

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**TO THE MAYOR AND COUNCILLORS OF THE LONDON BOROUGH OF TOWER  
HAMLETS**

You are summoned to attend an Ordinary Meeting of the Council of the London Borough of Tower Hamlets to be held in **THE COUNCIL CHAMBER, 1ST FLOOR, TOWN HALL, MULBERRY PLACE, 5 CLOVE CRESCENT, LONDON, E14 2BG** on **WEDNESDAY, 16<sup>TH</sup> MAY 2012** at 7.45 p.m. or at the rising of the Annual Council Meeting, if later.

Aman Dalvi  
**Interim Chief Executive**

# LONDON BOROUGH OF TOWER HAMLETS

## ORDINARY COUNCIL MEETING

WEDNESDAY, 16<sup>TH</sup> MAY 2012

7.45 p.m. or at the rising of the Annual Council Meeting, if later

	<b>PAGE NUMBER</b>
<b>1. APOLOGIES FOR ABSENCE</b>	
To receive any apologies for absence.	
<b>2. DECLARATIONS OF INTEREST</b>	<b>1 - 2</b>
To note any declarations of interest made by Members, including those restricting Members from voting on the questions detailed in Section 106 of the Local Government Finance Act, 1992. See attached note from the Chief Executive.	
<b>3. MINUTES</b>	<b>3 - 76</b>
To confirm as a correct record of the proceedings the unrestricted minutes of the Ordinary Meeting of the Council held on 25 <sup>th</sup> January 2012 and the Budget Meeting of the Council held on 22 <sup>nd</sup> February 2012.	
<b>4. TO RECEIVE ANNOUNCEMENTS (IF ANY) FROM THE SPEAKER OF THE COUNCIL OR THE CHIEF EXECUTIVE</b>	
<b>5. TO RECEIVE PETITIONS</b>	<b>77 - 78</b>
The Council Procedure Rules provide for a maximum of three petitions to be presented at an Ordinary Meeting of the Council. The deadline for submission of petitions to this meeting is noon on Thursday 10 <sup>th</sup> May 2012. However, as at 8 <sup>th</sup> May the maximum number of three petitions had already been received.	
The petitions received for presentation at this meeting are set out in the attached report.	
<b>6. TO RECEIVE WRITTEN QUESTIONS FROM MEMBERS OF THE PUBLIC</b>	<b>79 - 80</b>
The questions which have been received from members of the public for this Council meeting are set out in the attached report.	
A maximum period of 20 minutes is allocated to this agenda item.	

## **7. MAYOR'S REPORT**

The Council's Constitution provides for the Elected Mayor to give a report at each Ordinary Council Meeting

A maximum of five minutes is allowed for the Elected Mayor's report, following which the Speaker of Council will give the respective political group leaders an opportunity to respond for up to one minute each if they wish.

## **8. TO RECEIVE WRITTEN QUESTIONS FROM MEMBERS OF THE COUNCIL** **81 - 86**

The questions which have been received from Councillors to be put at this meeting are set out in the attached report.

A maximum period of 30 minutes is allocated to this agenda item.

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

### **9 .1 Local Development Framework (LDF): Managing Development - Development Plan Document and Fish Island Area Action Plan submission to the Secretary of State for Independent Examination** **87 - 98**

To approve the Managing Development DPD (Development Plan Document) and the Fish Island Area Action Plan (AAP) for submission to the Secretary of State in accordance with regulation 22 of the Town and Country Planning (Local Planning) (England) Regulations 2012, the Council's Statement of Community Involvement; and associated matters.

The report of the Corporate Director, Development and Renewal is attached. The Managing Development DPD (Appendix 1) and the Fish Island AAP (Appendix 2), and further appendices as listed at section 14 to the report, are included on a CD-ROM that has been circulated to Members with the Council agenda.

### **9 .2 Enterprise Strategy** **99 - 204**

To approve the Council's Enterprise Strategy following consultation, as recommended by the Executive at the Cabinet meeting on 8<sup>th</sup> February 2012.

The report of the Mayor in Cabinet and appendices including the Enterprise Strategy document are attached.

### **9 .3 Community Safety Plan 2012/13** **205 - 270**

To adopt the Council's Community Safety Plan 2012-13 as recommended by the Executive at the Cabinet Meeting on 4<sup>th</sup> April 2012.

The report of the Mayor in Cabinet, plus appendices including the proposed Community Safety Plan document are attached.

<b>9 .4</b>	<b>Pay Policy</b>	<b>271 - 278</b>
	To adopt the Council's draft Pay Policy Statement for publication as required by the Localism Act 2011.	
	The draft Pay Policy Statement as recommended by the Human Resources Committee is set out in the attached report.	
<b>10.</b>	<b>TO RECEIVE REPORTS AND QUESTIONS ON JOINT ARRANGEMENTS AND EXTERNAL ORGANISATIONS (IF ANY)</b>	
<b>11.</b>	<b>OTHER BUSINESS</b>	
<b>11 .1</b>	<b>Scheme of Members' Allowances 2012/13</b>	<b>279 - 288</b>
	To adopt the Scheme of Members' Allowances for 2012/13. The report of the Assistant Chief Executive (Legal Services) is attached.	
<b>11 .2</b>	<b>The Amended Standards Regime</b>	<b>289 - 318</b>
	To adopt a new Code of Conduct for elected and co-opted members; and to agree other matters relating to the revised Standards regime introduced by the Localism Act 2011.	
	The report of the Assistant Chief Executive (Legal Services) is attached. The proposals contained in the report have been subject to consultation with elected members and with independent members of the Standards Committee. Any comments received, together with the recommendations of the Standards Committee meeting on 10 <sup>th</sup> May 2012, will be reported to the Council.	
<b>11 .3</b>	<b>Report on Executive Decisions precluded from 'Call-in' on grounds of urgency</b>	<b>319 - 320</b>
	To receive a report for information, in accordance with Overview and Scrutiny Procedure Rule 17.1, on any Executive decisions taken since the last Council meeting in respect of which the call-in procedure did not apply because the decision being taken was urgent.	
<b>12.</b>	<b>TO CONSIDER MOTIONS SUBMITTED BY MEMBERS OF THE COUNCIL</b>	<b>321 - 338</b>
	The motions submitted by Councillors for debate at this meeting are set out in the attached report.	

### **13. EXCLUSION OF PRESS AND PUBLIC**

In view of the content of the remaining items on the agenda, the Council is recommended to adopt the following motion:

“That, under the provisions of Section 100A of the Local Government Act 1972 as amended, the press and public be excluded from the remainder of the meeting on the grounds that the business to be transacted contains information defined as Exempt in Part I of Schedule 12A of the Local Government Act 1972.”

#### **EXEMPT/CONFIDENTIAL SECTION (PINK)**

The Exempt/Confidential (pink) papers for consideration at the meeting will contain information which is commercially, legally or personally sensitive and should not be divulged to third parties. If you do not wish to retain these papers after the meeting please hand them to the Committee Officer present.

### **14. APPOINTMENT TO THE POST OF CHIEF EXECUTIVE (HEAD OF PAID SERVICE)**

Report(s) arising from the considerations of the Appointments Sub-Committee (to follow).

# Agenda Item 2

## DECLARATIONS OF INTERESTS - NOTE FROM THE CHIEF EXECUTIVE

This note is guidance only. Members should consult the Council's Code of Conduct for further details. Note: Only Members can decide if they have an interest therefore they must make their own decision. If in doubt as to the nature of an interest it is advisable to seek advice **prior** to attending at a meeting.

### Declaration of interests for Members

Where Members have a personal interest in any business of the authority as described in paragraph 4 of the Council's Code of Conduct (contained in part 5 of the Council's Constitution) then s/he must disclose this personal interest as in accordance with paragraph 5 of the Code. Members must disclose the existence and nature of the interest at the start of the meeting and certainly no later than the commencement of the item or where the interest becomes apparent.

You have a **personal interest** in any business of your authority where it relates to or is likely to affect:

- (a) An interest that you must **register**
- (b) An interest that is not on the register, but where the well-being or financial position of you, members of your family, or people with whom you have a close association, is likely to be affected by the business of your authority more than it would affect the majority of inhabitants of the ward affected by the decision.

Where a personal interest is declared a Member may stay and take part in the debate and decision on that item.

**What constitutes a prejudicial interest?** - Please refer to paragraph 6 of the adopted Code of Conduct.

**Your personal interest will also be a prejudicial interest in a matter if (a), (b) and either (c) or (d) below apply:-**

- (a) A member of the public, who knows the relevant facts, would reasonably think that your personal interests are so significant that it is likely to prejudice your judgment of the public interests; AND
- (b) The matter does not fall within one of the exempt categories of decision listed in paragraph 6.2 of the Code; AND EITHER
- (c) The matter affects your financial position or the financial interest of a body with which you are associated; or
- (d) The matter relates to the determination of a licensing or regulatory application

The key points to remember if you have a prejudicial interest in a matter being discussed at a meeting:-

- i. You must declare that you have a prejudicial interest, and the nature of that interest, as soon as that interest becomes apparent to you; and
- ii. You must leave the room for the duration of consideration and decision on the item and not seek to influence the debate or decision unless (iv) below applies; and

- iii. You must not seek to improperly influence a decision in which you have a prejudicial interest.
- iv. If Members of the public are allowed to speak or make representations at the meeting, give evidence or answer questions about the matter, by statutory right or otherwise (e.g. planning or licensing committees), you can declare your prejudicial interest but make representations. However, you must immediately leave the room once you have finished your representations and answered questions (if any). You cannot remain in the meeting or in the public gallery during the debate or decision on the matter.



**LONDON BOROUGH OF TOWER HAMLETS**

**MINUTES OF THE COUNCIL**

**HELD AT 7.30 P.M. ON WEDNESDAY, 25 JANUARY 2012**

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

**Members Present:**

Mayor Lutfur Rahman	Councillor Denise Jones
Councillor Helal Abbas	Councillor Dr. Emma Jones
Councillor Kabir Ahmed	Councillor Rabina Khan
Councillor Khaled Uddin Ahmed	Councillor Anwar Khan
Councillor Ohid Ahmed	Councillor Aminur Khan
Councillor Rajib Ahmed	Councillor Rania Khan
Councillor Rofique U Ahmed	Councillor Shiria Khatun
Councillor Shahed Ali	Councillor Md. Maium Miah
Councillor Tim Archer	Councillor Harun Miah
Councillor Abdul Asad	Councillor Fozol Miah
Councillor Craig Aston	Councillor Ahmed Adam Omer
Councillor Lutfu Begum	Councillor Lesley Pavitt
Councillor Mizan Chaudhury	Councillor Joshua Peck
Councillor Alibor Choudhury	Councillor Zenith Rahman
Councillor Zara Davis	Councillor Oliur Rahman
Councillor Stephanie Eaton	Councillor Rachael Saunders
Councillor David Edgar	Councillor David Snowdon
Councillor Marc Francis	Councillor Gloria Thienel
Councillor Judith Gardiner	Councillor Bill Turner
Councillor Carlo Gibbs	Councillor Helal Uddin
Councillor Peter Golds	Councillor Kosru Uddin
Councillor Shafiqul Haque	Councillor Abdal Ullah
Councillor Carli Harper-Penman	Councillor Motin Uz-Zaman
Councillor Sirajul Islam	Councillor Amy Whitelock
Councillor Ann Jackson	

The meeting commenced at 7.36 p.m.

**The Speaker of Council, Councillor Mizanur Chaudhury, in the Chair**

**1. APOLOGIES FOR ABSENCE**

Apologies for absence were received on behalf of Councillors Shelina Aktar, Anna Lynch and Mohammed Abdul Mukit, MBE.

**RESOLVED**

That the apologies for absence be noted.

**2. DECLARATIONS OF INTEREST**

<b>Councillor</b>	<b>Item</b>	<b>Type of interest</b>	<b>Reason</b>
Cllr Kabir Ahmed	5.3	Personal	Resident of affected area.
Cllr Lutfa Begum	12.5	Personal	I am a member of RCN and NMC.
Cllr Zara Davis	12.6	Personal	I am a Trustee of the Dockland Settlements, which currently accommodates a free school.
Cllr Carlo Gibbs	9.1	Personal	I help to administer schemes to reduce underage drinking including Challenge 25 and Community Alcohol Partnerships in my role at the WSTA.
Cllr Denise Jones	8.8	Personal	I am a trustee of the Rich Mix Cultural Centre.
Cllr Shiria Khatun	12.2	Personal	Husband is a locum employee of Poplar Harca.
Cllr Joshua Peck	12.4	Personal	Employer has a contract with LOCOG.
Cllr Joshua Peck	12.13	Personal	Employer has a contract with LOCOG.
Cllr Rachael Saunders	8.8	Personal	I am a Board member of the Rich Mix Cultural Centre.
Cllr Helal Uddin	12.2	Personal	My employer is linked to Poplar Harca who are mentioned in the motion
Cllr Motin Uz-Zaman	12.5	Personal	Employed by NHS.

**3. MINUTES**

Councillor Joshua Peck referred to agenda item 5.2, Page 10 of the minutes and stated that it was necessary to delete the sentence: "The decision to sell the site was taken by the previous administration" as in his view this comment had not been made at the meeting.

Councillor Peter Golds referred to item 5.1 on Page 9 of the minutes and stated that the petitioners did not receive a written reply within 28 days as indicated.

**RESOLVED**

That subject to the amendment of item 5.2 as above, the minutes of the ordinary meeting of the Council held on 29<sup>th</sup> November 2011 be confirmed as a correct record and the Speaker be authorised to sign them accordingly.

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

No announcements were made at the meeting.

**5. TO RECEIVE PETITIONS****5.1 Petition from Wapping Allotments Association:**

Ms Amanda Day and a colleague 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. Legal restrictions and controls had been put in place when the land had been given to the Council. Nevertheless, Councillor Choudhury was keen to assist the Association and would be happy to meet to discuss the matter further.

**RESOLVED**

That the petition be referred to the Interim Corporate Director, Development and Renewal, for a written response on any outstanding matters within 28 days.

**5.2 Petition regarding environmental proposals for the canal side, Ocean Estate:**

Ms Brenda Daley and Mr Derek England addressed the meeting on behalf of the petitioners and responded to questions from Members.

Councillor Rabina Khan, Cabinet Member for Housing, then responded to the issues raised. She indicated that she had spoken to Officers and all flats that had a shed would be allocated a replacement. She undertook to work with the petitioners and stated that full consultation would take place with residents on the matter of proposals for garages and sheds for the affected blocks.

**RESOLVED**

That the petition be referred to the Interim Corporate Director, Development and Renewal, for a written response on any outstanding matters within 28 days.

### **5.3 Petition regarding antisocial behaviour in the area of Vallance Road:**

Mr Donald Martin and Ms Hannah McHalick addressed the meeting on behalf of the petitioners and responded to questions from Members.

Councillor Ohid Ahmed, Deputy Mayor, then responded to the issues raised. He stated that he was fully aware of problems in the area and had been working with the Police and other agencies to effect a solution. The Police had already taken action and the Weavers Fields gates were being locked at night and patrols increased by the Police and THEOs. He indicated that he would be seeking further meetings between Officers and residents to determine further action.

### **RESOLVED**

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

### **Change to Order of Business**

At this point, Councillor Alibor Choudhury **MOVED**, and Councillor Rania Khan **SECONDED**, a procedural motion – “That under Procedure Rule 14.1.3 the order of business be varied to allow motion 12.14 to be considered as next business.”

The procedural motion was put to the vote and was **agreed**.

### **12.14 Sexual Exploitation**

Councillor Rania Khan **MOVED**, and Councillor Ohid Ahmed **SECONDED**, the motion as printed in the report.

After debate, Councillor Rachael Saunders **MOVED**, and Councillor Alibor Choudhury **SECONDED**, a procedural motion – “That under Procedure Rule 14.1.10 the question be now put.” The Procedural Motion was put to the vote and was **agreed**.

The motion as printed in the agenda was then put to the vote and was **agreed** with no Member voting against. Accordingly it was:-

**RESOLVED****This Council notes:**

1. That despite the abolition of slavery over 200 years ago, modern forms of trading in human beings continue, particularly for the purposes of sexual exploitation, forced labour, domestic slavery or organised crime.
2. That 80,000 people are trafficked each year, 80% of which are women and children.
3. That in the UK many thousands of individuals are bought and sold as commodities and forced into modern-day slavery.
4. That Tower Hamlets Safeguarding Children Board (LSCB) does excellent work focussing on the protection and welfare of children and young people.
5. That the Metropolitan Police have set up a Trafficking Helpline, working with some local authorities to launch raids and closing down brothels, gathering intelligence on known trafficking gangs/groups and working with their home countries.

**This Council believes:**

1. That schools should be encouraged to incorporate the topic into their curricula to raise awareness among students.
2. That the efforts made by individuals, business, organisations, the police, government and educational institutions to raise awareness of human trafficking and to oppose such trafficking actively; are to be commended

**This Council resolves:**

1. To express its support for the work that ECPAT UK (End Child Prostitution, Child Pornography and the Trafficking of Children for Sexual Purposes) is doing around the UK to promote the rights of children and for the measures the organisation is taking to protect them from commercial and sexual exploitation and abuse.
2. To acknowledge the potential impact of the 2012 Olympic and Paralympic Games on trafficking, in the context of a possible increase of people entering the UK due to human trafficking, and to work with LOCOG, other Olympic agencies and the police to counteract this.

**6. TO RECEIVE WRITTEN QUESTIONS FROM MEMBERS OF THE PUBLIC****6.1 Question from Miss Sultana Begum:**

What does the Mayor think about the Conservative Mayor Boris Johnson's recent rises in London transport fares?

**Response by Councillor Shahed Ali, Cabinet Member for Environment**

Ken Livingstone as part of his draft manifesto for Mayor of London has announced on his 'Ken for London' website that... he will cut fares by 5% in the process and saving the average London transport user over £800 over 4 years.

A key part of the 'One Tower Hamlets' Community Plan is to tackle poverty and protect the environment and people's health.

Increases in public transport fares can adversely impact on social inclusion and people's economic wellbeing, particularly for poorer sections of the community.

Tower Hamlets Council's Transport Planning Strategy (2011-2031), using data from Transport for London, indicates that public transport trips account for 37% of total trips in the borough with 21% of all trips by car, 15% by bus, 40% by walking and 2% by cycling.

Therefore, many residents of the borough rely on public transport, for example, to get to work, shopping, visit family and friends.

Increases in bus, tube, train and DLR fares can also encourage more people to go by car rather than travel in healthier, greener ways to the detriment of the quality of life for all in Tower Hamlets and the rest of London.

The recent increases in fares in London will impact on residents by making public transport less affordable and potentially reducing the attractiveness of bus, tube, DLR and rail services as a greener form of travel for local people.

As Tower Hamlets is ranked as the third most deprived local authority area in the country, after Hackney and Newham, any increases in public transport fares will significantly impact on people going to work and making other important journeys, particularly those having to live on the minimum wage or welfare benefits.

**Summary of supplementary question from Miss Sultana Begum**

Does the Lead Member have a view on Boris Johnson's argument that Ken Livingstone's proposal to use excess TfL revenue to reduce public transport fares is not realistic?

### **Summary of Councillor Shahed Ali's response to the supplementary question**

I will need to look at this in detail before making full comments but would make the point that, since Ken Livingstone left as Mayor of London, the cost of a single bus journey has gone from 90p to £1.35.

### **Change to Order of Business**

At this point, Councillor Alibor Choudhury **MOVED** and Councillor Ohid Ahmed **SECONDED**, a procedural motion – “That under Procedure Rule 14.1.3 the order of business be varied to allow motions 12.1 and 12.9 to be considered as next business.”

The procedural motion was put to the vote and was **agreed**.

### **12.1 Public transport and unaffordable fares**

Councillor Fozol Miah **MOVED** and Councillor Harun Miah **SECONDED**, the motion as printed in the agenda.

Councillor Peter Golds **MOVED**, and Councillor Tim Archer **SECONDED**, a **tabled** amendment to the motion as follows:-

#### **“Delete all after ‘This Council notes that’ and insert:**

- Prior to the 2000 Mayoral election, Ken Livingstone's Mayoral election manifesto stated “I will freeze bus and tube fares in real terms for four years.” In January 2004, the single bus fare outside zone 1 was increased by 43% and cash fares on the Tube rose by 25%.
- Prior to the 2004 Mayoral election, Ken Livingstone promised fares would not increase above the rate of inflation. In September 2004 he announced that Tube fares would rise at 1% above inflation and bus fares at 10% above inflation. A single bus fare was increased by 20%. Ken Livingstone has since admitted in his memoirs that “I decided to increase the fares before the [2004] election”.
- Prior to the 2008 Mayoral election, Ken Livingstone promised to freeze Tube fares in real terms. Leaked emails have since shown that Mr Livingstone had already in 2007 approved higher than real term Tube increases.
- “Mr Livingstone is wrong to claim there's a £729m surplus, and there is no separate budget for investment projects. If he cuts fares, TfL expects to lose £1.12bn in income from fares – and that's a hole he wouldn't be able to plug without hitting the day-to-day funding for London's transport or taking money from investment projects.”
- “How he'd do that is up to him, but it could mean that tube and bus route upgrades are delayed, or TfL could be forced to shed some staff

members. Any mayoral candidate can raid the TfL's coffers to cut fares. But cutting fares could mean cutting investment – which London's transport system has been sorely starved of for decades. .”

**This Council believes that:**

- Boris Johnson's fare restructuring is fair, and will bring long overdue Tube and transport infrastructure upgrades.
- Ken Livingstone's argument that fare reductions can be paid for from a TFL surplus is misleading, as the latest TFL business plan shows all of the operational surplus in the next four years will be spent on capital projects.
- Ken Livingstone's promises on Tube and bus fare increases have no credibility, and that his latest proposals are yet another cynical promise waiting to be broken.

**This Council resolves:**

- To support Boris Johnson's plans to upgrade London's transport infrastructure and Tube network.”

Following debate, the amendment moved by Councillor Golds was put to the vote and was **defeated**.

Following further debate, Councillor Joshua Peck **MOVED** and Councillor Alibor Choudhury **SECONDED** a procedural motion: ‘That under Procedure Rule 14.1.10, the question be now put.’ The procedural motion was put to the vote and was **agreed**.

The substantive motion as printed in the agenda was then put to the vote and was **agreed**. Accordingly, it was:-

**RESOLVED**

**This Council notes that:**

- 1) the importance of encouraging use of public transport to limit pollution in London and to save on use of fossil fuels which increase global warming
- 2) people on lower incomes are particularly dependent on public transport to ensure they can gain access for themselves and their families of the benefits of living in London
- 3) many people have seen or are seeing no rise in their incomes despite the fact inflation is over 5% and this is cutting their living standards
- 4) Tory Mayor of London Boris Johnson is committed to raising fares on public transport in London year on year by 1% above inflation, despite falling living



standards for many, particularly on lower incomes across the capital and in Tower Hamlets in particular

5) Ken Livingstone, the only candidate who realistically can be expected to replace the Tory mayor Boris Johnson in elections in May 2012, has promised to reduce fares by 5% if elected with no increase in fares in 2013.

**This Council believes that:**

1) the rise in fares proposed by the Tory Mayor Boris Johnson will have a severe effect on the living standards in London particularly of those on lower incomes

2) the rise in fares proposed by Tory Mayor Boris Johnson will discourage use of public transport

3) a reduction in fares rather than an increase is both affordable and desirable

**This Council supports:**

The plans announced by Ken Livingstone to reduce fares if elected next May

**12.9 Support Ken Livingstone's fair deal for transport**

Councillor Rabina Khan **MOVED**, and Councillor Shafiqul Haque **SECONDED**, the motion as printed in the agenda.

Councillor Peter Golds **MOVED**, and Councillor Tim Archer **SECONDED**, a **tabled** amendment to the motion. The text of the amendment was the same as that moved by Councillor Golds at motion 12.1 above.

Following debate, the amendment moved by Councillor Golds was put to the vote and was **defeated**.

Following further debate, the substantive motion as printed in the agenda was then put to the vote and was **agreed**. Accordingly, it was:-

**RESOLVED**

**This Council notes:**

1. That from January 2012 there has been a steep rise in bus, tube and rail fares under Tory Mayor Boris Johnson

2. That under the Tory mayor the cost of a single bus ticket has risen by a massive 50 per cent since 2008, whilst the price of a monthly zone 1-2 Travelcard is up 21% costing £230.40 per year more, and the price of zones 1-6 Travelcard is up a fifth.

3. That a key part of the "One Tower Hamlets" Community Plan is to tackle poverty and protect the environment and peoples' health.

4. That increases in public transport fares can adversely impact on social inclusion, mobility and people's economic well being, particularly for poorer sections of our community.

5. That increases in bus, tube, train and DLR fares can also encourage more people to use cars rather than public transport and therefore contribute to increased congestion and poorer air quality.

**This Council believes:**

1. That Boris Johnson's transport policies are hurting our residents.

2. That we should support initiatives that seeks to reduce the costs of using public transport.

3. That Ken Livingstone's manifesto pledge to cut fares immediately by 7%, to freeze them the next year and saving the average London Transport user £1000 over 4 years is good news for residents in Tower Hamlets and to be welcomed.

**This Council resolves:**

To support Ken Livingstone's campaign to make fares affordable for Londoners.

**6.2 Question from Mr Len Aldis:**

Could the Mayor update me on his conversations with LOCOG regarding the controversial sponsorship of the Olympic Games by Dow Chemical?

**Response by Councillor Rania Khan, Cabinet Member for Culture**

Thank you Len for your question. The issue of LOCOG accepting sponsorship from Dow Chemical is causing widespread concern in view of Dow's connections with the Union Carbide - Bhopal disaster which cost the lives of up to 25,000 people.

A joint letter was sent on behalf of the Mayor, Cllr Josh Peck (Labour Group), Fozol Miah (Respect Group) and Stephanie Eaton (Lib Dem) to Lord Coe expressing the view that it besmirched the reputation of the Olympics for it to have any association with Dow Chemicals.

Unfortunately, Lord Coe's letter in response might well have been written for him by Dow Chemical's public relations department.

In his reply Lord Coe stated that Dow had no responsibilities in relation to the Bhopal disaster as 'they did not own or operate the Union Carbide India

Limited Plant that was the site of the 1984 disaster'. He goes on to say that 'Dow is an industry leader in terms of operating with the highest standards of ethics and sustainability' and that LOCOG 'stand behind' Dow 'both as a worldwide sponsor of the Olympic movement and as a supplier to LOCOG'.

The fact is that Dow Chemical bought Union Carbide they knew that Union Carbide was wanted on criminal charges pertaining to the Bhopal disaster. It is my view, and that of a wide array of public figures in this country and internationally, that Dow therefore has a responsibility to the victims of the Bhopal disaster.

Until it honours that responsibility any association with Dow puts a blemish on the 2012 Olympics which we are all looking forward to, and which we all want to ensure are a great success.

The Olympic ideal aspires to the best in fair play and ethics. LOCOG's association with Dow diminishes those high ideals and aspirations.

### **Summary of supplementary question from Mr Len Aldis**

I have visited Vietnam many times over the years and have seen many people affected after the war there by exposure to Agent Orange that was produced by Dow Chemical. I have since raised this with the Mayor and other agencies on behalf of organisations in Vietnam who were requesting help. I took a letter from those organisations to Lord Coe's office asking that Dow Chemical be dropped as an Olympic sponsor, as they had been instrumental in creating three generations of disabled people in Vietnam. Their sponsorship was regarded by the Vietnamese people as an affront. Lord Coe's response was therefore also an insult to them.

### **Change to Order of Business**

At this point, Councillor Alibor Choudhury **MOVED** and Councillor Rania Khan **SECONDED**, a procedural motion – "That under Procedure Rule 14.1.3 the order of business be varied to allow motion 12.13 to be considered as next business."

The procedural motion was put to the vote and was **agreed**.

### **12.13 Dow Chemical, Bhopal and the Olympic Park**

Councillor Lutfa Begum **MOVED**, and Councillor Rania Khan **SECONDED**, the motion as printed in the agenda.

After debate, Councillor Motin Uz-Zaman **MOVED**, and Councillor Joshua Peck **SECONDED**, a procedural motion – "That under Procedural Rule 14.1.10 the question be now put." The procedural motion was put to the vote and was **agreed**.

The motion as printed in the agenda was then put to the vote and was **agreed**. Accordingly, it was:-

### **RESOLVED**

#### **This meeting notes:**

1. That on December 12 2011 Mayor Lutfur Rahman, Cllr Josh Peck (Labour Group), Fozol Miah (Respect Group) and Stephanie Eaton (Lib Dem) sent a joint letter to Lord Sebastian Coe, Chairman of the London Organising Committee of the Olympic Games and Paralympic Games (LOCOG) expressing concern over its decision to accept sponsorship for the Olympic Games from Dow Chemical, in light of its associations with the Union Carbide/Bhopal disaster.

2. That in a reply to that letter Lord Coe stated 'Dow is an industry leader in terms of operating with the highest standards of ethics and sustainability' and that LOCOG 'stand behind' Dow 'both as a worldwide sponsor of the Olympic movement and as a supplier to LOCOG'.

3. That Lord Coe also stated that Dow Chemical had no responsibilities in relation to the Bhopal disaster as 'they did not own or operate the Union Carbide India Limited Plant that was the site of the 1984 disaster'.

4. That due to campaign pressure Dow Chemical has agreed to remove all its branding from Britain's Olympic stadium.

#### **This meeting believes:**

1. That when Dow Chemical bought Union Carbide they knew that Union Carbide were wanted on criminal charges pertaining to the Bhopal disaster.

2. That Dow therefore has a responsibility to the victims of the Bhopal disaster.

3. That any association with Dow tarnishes the name and reputation of the Olympics.

#### **This meeting resolves:**

To maintain pressure on LOCOG to drop Dow Chemical as a partner for the 2012 Olympics.

### **6.3 Question from Ms Catherine Tuitt:**

In light of the Stephen Lawrence case concluding with two convictions, what further steps will the Mayor be taking to monitor, and eradicate, racial and hate crime and promote equality in the borough?

**Response by Councillor Ohid Ahmed, Deputy Mayor**

Tackling discrimination and hate is a fundamental part of the Council's approach to building One Tower Hamlets. In developing our work on tackling hate crime we have taken on the recommendations of the McPherson report into the death of Stephen Lawrence. One of the recommendations of the McPherson report was to provide additional reporting means for victims of racism.

In response to this we have worked with the local Police to develop 12 Third Party Reporting Centres in the borough. These are key sites in the borough where victims are likely to attend. We will continue to maintain these centres and provide regular training to the Centre staff so that they can take reports sensitively and appropriately. We continue to promote the centres through effective publicity and outreach work.

This work is complimented by our No Place for Hate pledge which continues to gain support from individuals and organisations in the borough. It has a key role in encouraging everyone in the local community to join forces with the Council and take a stand against hate crime.

Tower Hamlets has a strong network of No Place for Hate Champions, a network of people trained in Hate Crime and supported by the Council to take action on hate crime. They have had many successes in raising awareness of hate crime, promoting reporting and ensuring that the message is widely spread in the community. Our No Place for Hate outreach work reaches far and wide, through attending key community events and forums across the borough, reaching hundreds of different groups of people each year. The Tower Hamlets No Place for Hate Board ensures that there is an effective partnership structure in place to deal with hate crime. It maintains an action plan of work on hate crime, to which Council and partner agencies contribute.

The monthly Tower Hamlets' Hate Incidents Panel (HIP) meets monthly and is seen as a model of best practice in aiming to co-ordinate and review a top quality service provision across partners, for hate crime incidents. It also provides a forum for effective information sharing and enables appropriate actions to be taken to increase public safety.

Other key aspects of our work include the provision of a 24 hour Free phone reporting facility for victims of hate crime (0800 138 0521).

Further work planned for 2012 includes: -

- Production and distribution of an up to date Hate Crime Manual which assists professionals and volunteers to identify hate crime at an early stage and sign post victims appropriately.
- Providing refresher Hate Crime Training for the Council Call Centre staff who answer the Hate Crime hotline.

- Provision of Hate Crime training will be made available to all Council staff.
- Training of staff in charities and voluntary organisations in the borough including Tower Hamlets MIND (mental health charity).
- Training of Police and other key agencies on how to make referrals to the HIP
- We will continue to develop our approach in response to trends identified through analysis of hate crime data and engagement with communities.

### **Summary of supplementary question from Ms Catherine Tuitt**

Thank you for your comments – as you have mentioned a top quality service delivery, can I have your assurance that there will be increased resources to maintain the level of this activity in the Borough? Looking at issues included on your agenda, race and hate crime includes anti-Semitism as well as Islamophobia and human trafficking.

### **Summary of Councillor Ohid Ahmed's reply to the supplementary question**

I can assure you that all necessary resources will be made available.

### **Change to Order of Business**

At this point, Councillor Alibor Choudhury **MOVED** and Councillor Ohid Ahmed **SECONDED**, a procedural motion – “That under Procedure Rule 14.1.3 the order of business be varied to allow motion 12.11 to be considered as next business.”

The procedural motion was put to the vote and was **agreed**.

### **12.11 Remembering Stephen Lawrence**

Councillor Abdul Asad **MOVED**, and Councillor Kabir Ahmed **SECONDED**, the motion as printed in the agenda.

After debate, Councillor Abdul Asad **MOVED**, and Councillor Kabir Ahmed **SECONDED**, a procedural motion – “That under Procedural Rule 14.1.10 the question be now put.” The procedural motion was put to the vote and was **agreed**.

The motion as printed in the agenda was then put to the vote and was **agreed** with no Member voting against. Accordingly, it was:-

**RESOLVED****This Council notes:**

1. That after eighteen years the Stephen Lawrence case has finally seen some resolution with two men convicted for his murder.
2. The dignity with which the Lawrence family have led their campaign.
3. That Stephen Lawrence's murder highlights that there are people, albeit a tiny minority, who harbour a deep racism and may even be capable of terrible, violent acts.
4. The fact that Tower Hamlets is a multi cultural, multi racial borough, where the overwhelming majority of people work and live together happily, should not allow for any complacency.
5. That the Stephen Lawrence case also highlights the insidious nature of racism and how it can infect and distort the workings of institutions.
6. That among the findings of the Macpherson Inquiry was a clear conclusion about the existence of institutional racism in the police service and other public sector organizations.
7. That the Stephen Lawrence Centre in Deptford is facing closure due to lack of funding.

**This Council believes:**

That we owe it to the legacy of Stephen Lawrence and the hard work of the Lawrence family to strengthen our commitment to tackling institutional discrimination and exclusion and confronting all prejudices, inequalities and unfair treatment whether as a result of gender, sexuality, age, race, disability, religious affiliation, belief or class.

**This Council resolves:**

1. To write to the Lawrence Family on behalf of all councillors in an expression of support and solidarity.
2. To continue to campaign against all forms of discrimination and hatred.
3. To explore all we can do to help the Stephen Lawrence Centre to continue its important work.

**6.4 Question from Ms Syeda Nasima:**

What steps is the Mayor taking to respond to the demand in the community for Bengali language teaching in mainstream primary schools in Tower Hamlets?

**Response by Councillor Oliur Rahman, Cabinet Member for Children's Services**

Thank you for your question. I am pleased to see the enthusiasm of parents for mother-tongue teaching in our primary schools. This has been greatly expressed through a number of signed petition sheets addressed to individual schools in the borough.

Our Members are talking to senior officers, schools and governors about refreshing the current strategy. Formal consultation will take place at the Head Teachers' Forum and Heads Consultative meeting this term.

Our borough is introducing Level 1 and Level 2 courses in Bengali for class teachers and Senior Leadership Team (SLT) to build schools' capacity. However, we as a Local Authority have no power to instruct schools on the issue of choosing a subject. It is an internal matter and schools decide independently, in consultation with their staff, parents and governors.

*(No supplementary question was asked.)*

**7. MAYOR'S REPORT**

The Mayor made his report to the Council meeting, referring firstly to the recent Child Poverty Action report which showed that 52% of children in the Borough lived below the poverty line. The Mayor stated that this must be reduced as a priority issue and that previous reductions in poverty that had been enabled under a Labour Government were under threat because of cuts made by the Conservative-led administration.

The Mayor considered that a further main priority area must be to protect residents of the Borough from the austerity cuts, to promote jobs and education maximise entry into apprenticeships. He added that 868 Olympics jobs had been secured for local people and his administration was working to achieve more.

The Mayor pointed out that, since the last Council meeting, two of the killers of Stephen Lawrence had been convicted and he was pleased to support the related motion on the agenda. He commended the dignity shown by the Lawrence family over the 18 years since Stephen's murder.

That period had also seen much work on changing Police interaction with minorities and the Mayor particularly mentioned the new Metropolitan Police Commissioner's plans in relation to stop and search measures. Much progress had been made on tackling racism but it was still essential to remain vigilant.

The Mayor commented out that the coming month would see the start of the Chinese Year of the Dragon and he added that the Borough had been enriched by the presence of the Chinese community.



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

The Speaker indicated that the meeting would now move to questions from Councillors.

Councillor Judith Gardiner put the first question on the order paper and the Mayor indicated that Councillor Rabina Khan would respond.

### Point of Order

At this point, Councillor Peck stated that in accordance with decisions regarding the Constitution made at the last Council meeting, the Mayor should respond personally to all questions asked, rather than nominating Cabinet members to do so.

Following discussion on the matter, the Speaker at **9.15 p.m.** declared the meeting **adjourned** so that Officers' advice might be obtained. The meeting **reconvened** at **9.40 p.m.** Ms Isabella Freeman, Assistant Chief Executive (Legal Services) advised the Council that, in accordance with the valid amendments to the Constitution made at the last meeting, the Council could require that questions are put to the Mayor and could prevent Cabinet Members from responding on the Mayor's behalf, although the Mayor could not be obliged to answer questions personally at the meeting.

The Mayor commented that he had appointed to the Cabinet very able and experienced Lead Members to take charge of service provision and who would be involved with him in addressing matters included in their portfolios. He urged Councillors to work with him for the benefit of the wider community. However, if the Council would not agree to Cabinet Members replying to questions in the Chamber, he would publish written answers to Members' questions at an appropriate time of his choosing.

### Procedural Motion

At this point, Councillor Alibor Choudhury **MOVED**, and Councillor Ohid Ahmed **SECONDED**, a procedural motion - "That under Procedure Rule 14.1.14, Rule 13.1 be suspended to allow the following urgent motion to be debated:-

"We condemn both the Tory and Labour groups for their time wasting tactics and blatant disregard for the public who have come to listen to Council affairs that affect their lives."

More than 10 Members rose from their seats to request a recorded vote on the procedural motion in accordance with Procedure Rule 17.4. A recorded vote was therefore taken and Members indicated their votes as follows:-

For the motion (15 Councillors)

Councillor Kabir Ahmed  
Councillor Ohid Ahmed  
Councillor Rofique Uddin Ahmed  
Councillor Shahed Ali  
Councillor Abdul Asad  
Councillor Lutfu Begum  
Councillor Alibor Choudhury  
Councillor Shafiqul Haque  
Councillor Aminur Khan  
Councillor Rabina Khan  
Councillor Rania Khan  
Councillor Fozol Miah  
Councillor Harun Miah  
Councillor Maium Miah  
Councillor Oliur Rahman

Against the motion (33 Councillors)

Councillor Joshua Peck  
Councillor Peter Golds  
Councillor Helal Abbas  
Councillor Khaled Uddin Ahmed  
Councillor Rajib Ahmed  
Councillor Timothy Archer  
Councillor Craig Aston  
Councillor Zara Davis  
Councillor Stephanie Eaton  
Councillor David Edgar  
Councillor Marc Francis  
Councillor Judith Gardiner  
Councillor Carlo Gibbs  
Councillor Carli Harper-Penman  
Councillor Sirajul Islam  
Councillor Ann Jackson  
Councillor Denise Jones  
Councillor Dr Emma Jones  
Councillor Anwar Khan  
Councillor Shiria Khatun  
Councillor Ahmed Omer  
Councillor Lesley Pavitt  
Councillor Zenith Rahman  
Councillor Rachael Saunders  
Councillor David Snowdon  
Councillor Gloria Thienel  
Councillor Bill Turner

Councillor Helal Uddin  
Councillor Kosru Uddin  
Councillor Abdal Ullah  
Councillor Motin Uz-Zaman  
Councillor Amy Whitelock  
Councillor Mizanur Chaudhury (Speaker of Council)

Abstained (nil Councillors)

The procedural motion was accordingly **defeated**.

The following questions (and where indicated, supplementary questions) were then put by Members. The minute below also records the written response provided subsequently by the Mayor.

[Note: Questions 8.22 to 8.25 were not put at the meeting due to the time limit for the item having expired.]

**8.1 Question from Councillor Judith Gardiner:**

The Government has recently announced that it will be changing the law to make unauthorised subletting a criminal offence. What extra measures will the Mayor be taking to crack down on this and other abuses of the allocation process to ensure that those in genuine housing need are not disadvantaged or taken advantage of by cheats?

**Summary of supplementary question from Councillor Judith Gardiner**

Why does the Mayor feel it is so hard to answer in public a simple question that will affect the lives of many tenants in the Borough? Is it because it affects a councillor close to him who is absent from today's meeting?

**Response by Councillor Rabina Khan, Cabinet Member for Housing**

Thank you for your question.

The Mayor and I regard the unauthorised subletting of Council Housing as an extremely serious concern. I believe that Council Housing should always be used by those who need it the most. In a borough such as ours with a huge need for affordable housing it is vital that all our housing goes to those with the highest need.

This is why we have a dedicated Fraud Team who tackle unauthorised subletting. The team's efforts since October 2010 have resulted in 69 properties being identified as sub-let or subsequently abandoned, these being recovered for return to the Lettings Pool. Our team is recognised as an example of good practice and has also provided training to staff within Tower Hamlets Homes and is working with other local authorities.

To complement the above, the Housing Options Service has its own, Fraud Team that focuses on sub-letting of Homeless Temporary Accommodation. The Homeless Team has separately identified and recovered 27 units of temporary accommodation. They have also provided showcase training to other London boroughs.

The criminalisation of unauthorised subletting however will give the Council no extra powers to tackle unauthorised subletting. I am concerned that this is a knee jerk reaction from the Conservative government which will not actually reduce levels of subletting. It would be more helpful to provide more resources to Councils' Fraud Teams to tackle this through channels proven to work.

Some opposition councillors have claimed that the Mayor is unwilling to provide them with answers to the questions asked at Full Council.

This is not the case.

At Full Council meetings, the Mayor's approach has always been to deliver a verbal statement updating members on the progress his administration is making, and then allow his cabinet members to answer questions specific to their portfolios.

We are a strong cabinet, who invest long hours, remarkable intellect and hard work dealing with issues in minute detail on a day to day basis. We are well placed and will continue to answer questions specific to our portfolios.

## **8.2 Question from Councillor Peter Golds:**

Does the Mayor support the Government's announcement that it will seek to criminalise sub-letting of socially rented property?

### **Summary of supplementary question from Councillor Peter Golds**

In addition to the case of the councillor already mentioned, what are your comments on a case in Cable Street where a resident complaining of an illegal sub-letting was informed by Social Services that persons moving furniture into a flat were the tenant's carers? And how does the Mayor justify a millionaire living in a Peabody Housing property who also owns a house elsewhere?

### **Response by Councillor Rabina Khan, Cabinet Member for Housing**

Thank you for your question.

The Government proposals only move matters from the civil to the criminal arena and do not add more powers for the council to deal with unauthorised sub-letting.

The Mayor and I take any such abuse extremely seriously and will be very interested to see the detailed proposals to see if they will actually deter tenants from sub-letting their homes without consent.

All Housing Association tenancies are covered by statute, notably the Housing Acts of 1988 and 1996 with regard to secure and assured tenancies. All Housing Associations are required to enter into a tenancy agreement with individual tenants, which will set out each side's rights and responsibilities through a set of terms and conditions.

Conditions relating to income and property ownership may not necessarily be covered by the tenancy agreements. It will be the responsibility of individual Housing Associations to take legal action against a tenant if they are in breach of their tenancy agreement.

With regard to the Cable Street matter you raise without exact details this can not be verified or investigated further.

### **8.3 Question from Councillor Motin Uz-Zaman:**

Housing Benefit changes will have a profound impact on our residents and it will lead to some having to leave the borough because the housing allowance will not cover their full rent. Can the Mayor inform the Council the number of meetings he has had with the Minister responsible for these changes to highlight the impact on residents of Tower Hamlets?

### **Summary of supplementary question from Councillor Motin Uz-Zaman**

As no answer has been given, I shall assume there was no meeting. I do not feel it is appropriate for the Mayor to sit there smiling and not answer the questions. If he does not want to answer he can take a break and leave the Council Chamber. The Prime Minister and Mayor of London answer questions personally, why is the Mayor refusing to do so?

### **Response by Councillor Rabina Khan, Cabinet Member for Housing**

Thank you for your question.

The Mayor and I are extremely concerned by the changes to housing benefit. Almost a year ago as Cabinet Member for Housing I presented a motion to this Council which laid a marker down on this administration's views on the Coalition's appalling measures.

We are already seeing the impact of these changes on families in the borough. Some families are already reluctant to move to larger homes due to the housing allowance cap and are choosing to stay in overcrowded circumstances.

These changes will impact across all the services in the council as well as our partner organisations. This is why I have asked our central research team to

coordinate a high level and innovative group to collate the impact this is having across all Council and partner services.

I have also had several meetings with organisations such as Shelter, TELCO and Z2K to discuss a coordinated response. I have also ensured that the Tenant's Federation are fully aware of the changes and have held workshops with them.

Next month we are holding a congress with key Partners, including RSLs, the Police, Schools, the Third Sector and to look at the impact of this in a holistic way and plan ways we can combat the changes and mitigate the impact to our residents. This process is to build a coalition of concerned individuals and institutions, who care deeply about the residents of this borough. We will collect a solid evidence base of the impact across the borough.

We know that millionaire ministers are responsible for pushing through these reforms. They have no idea how most people in this country live. In fact Lord Freud, the minister responsible for benefit change, isn't even elected.

We will have far more of an impact working together. We will demonstrate that individuals and organisations from across this borough oppose these vicious cuts. And we do so, not simply on a whim, but because they are damaging our community and our residents.

It is not the case that the Mayor is unwilling to provide answers to the questions asked at Full Council.

At Full Council meetings, the Mayor's approach has always been to deliver a verbal statement updating members on the progress his administration is making, and then allow his cabinet members to answer questions specific to their portfolios.

We are a strong cabinet, who invest long hours, remarkable intellect and hard work dealing with issues in minute detail on a day to day basis. We are well placed and will continue to answer questions specific to our portfolios.

#### **8.4 Question from Councillor Fozol Miah:**

Will the Mayor and lead member celebrate with me the bringing to justice of two of Stephen Lawrence's killers and congratulate all those involved in achieving this and above all Neville and Doreen Lawrence, but also regret that police incompetence, racism and maybe even corruption botched the original enquiry and may lead to his other murderers continuing to evade justice, and will they also agree that, whilst there have been significant improvements in policing in London since the landmark Macpherson report, there are still serious problems, for example in the abuse of "stop and search" powers and in the lack of ethnic minority appointment to senior management positions in the Metropolitan Police, and will they agree to make representations to the new Commissioner and to the borough commander that the concept of "total" policing should include making the police reflect at

all levels of the force and, above all, respect all of the communities they police?

**Summary of supplementary question from Councillor Fozol Miah**

My question was also directed to the Cabinet Member.

**Response by Councillor Ohid Ahmed, Deputy Mayor**

Thank you Cllr Miah for your question.

The Mayor and all councillors welcome the conviction of two of the killers of Stephen Lawrence.

Everyone also feels a sense of admiration for the Lawrence family for the tenacity, courage and dignity with which they have conducted themselves in the 18 years since Stephen's death.

It is a recognised fact, not least within the Metropolitan Police itself, that police incompetence, corruption and institutionalised racism combined to deny the Lawrence family justice at the time of Stephen's murder. Much work has been done to improve the Metropolitan police but as the recent events surrounding the killing of Mark Duggan and the ensuing riots in Tottenham, there is work still to be done.

One area that definitely needs addressing is the widespread sense of grievance in the black community over the use of stop and search. I welcome the comments of Bernard Hogan-Howe, the Metropolitan Police Commissioner, in which he expressed his concern about the disproportionate use of stop and search. I welcome also his plan to halve the number of random stops and searches it conducts in an attempt to improve relations with black and other ethnic minority communities.

Any perception that policing is targeting or discriminating against any community is obviously detrimental to police-community relations and the Council. We are sensitive to picking up on concerns about stop and search in the borough. The Tower Hamlets Stop & Search Forum continues to meet quarterly and engages representatives of the community in a constructive dialogue with the Police around Stop and Search. It reviews the data on stop and search in the borough and is able to challenge the Police on matters of concern. It is attended by a diverse range of individuals, including those representing BME and youth communities. Further work is currently underway to develop a Tower Hamlets stop and search forum specifically for young people.

The Police themselves acknowledge the failings of the past and the fact that they still have work to do. Only by working more closely with the Police can we help them on this journey. The Council's Domestic Violence and Hate Crime Team work closely with Tower Hamlets Police Community Safety Unit, who take all forms of hate crime very seriously and the partnership relationship is very strong. They are dedicated partners in attending and

contributing to the Council run Hate Incident Panel and also the Strategic Tower Hamlets No Place for Hate Forum.

### **8.5 Question from Councillor Lesley Pavitt:**

Can the Mayor please tell me why the number of complaints about One Stop Shops went up by 29% in the first half of 2011/12?

#### **Summary of supplementary question from Councillor Lesley Pavitt**

Tower Hamlets people don't complain unless they have real cause. What are you going to do about the inevitable increase in complaints when the Rushmead Office is closed and people will have to travel much further to access Council services?

#### **Response by Councillor Alibor Choudhury, Cabinet Member for Resources**

Thank you for your question.

Over the last two years there has been no discernible increase in complaints regarding one stop shops. Indeed the most recent quarter (ending 31 Dec 2011) had the fewest number of complaints for 20 months (just 9).

The highest number of complaints received in the preceding period was 18. This was in the second quarter of 2010/11. The first quarter of 2011/12 saw 17 complaints, but this dropped to just 10 in the second quarter. There is also no discernible pattern to the nature of complaints received though parking related questions usually account for the majority of concerns.

While all complaints are a source of disappointment and learning, Members should draw some comfort from the fact that this financial year we have received just 38 complaints about our one stop shops.

After consultation with the Trade Unions and residents there is now no specific proposal to close the One Stop Shop at Rushmead.

### **8.6 Question from Councillor Zara Davis:**

Why has the Mayor ignored the motion agreed by Full Council in September 2011, which resolved 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?"

#### **Summary of supplementary question from Councillor Zara Davis**

It is disappointing the Mayor will not justify his actions in view of the petition signed by many hundreds of residents. Has he considered the full implications of hiring out parks, such as damage caused, restriction of



residents' use, areas being cordoned off and thus making it harder for residents to stay active; and the likely increase of childhood obesity from resulting lack of exercise?

**Response by Councillor Rania Khan, Cabinet Member for Culture**

Thank you for your question.

The Full Council Motion had financial implications and was therefore referred back to Cabinet for consideration.

Whilst we understand local concern we remain committed to using parks across the borough for events.

May I reassure you on a number of points:

- The Council is currently carrying out a feasibility study to look at which parks may be suitable for different types of activity. I will ensure that resident's concerns on the types of events are taken into account.
- Events will be held in parks across the borough, not just in Isle of Dogs parks.
- The number of events taking place will be subject to an upper limit.
- No park will be completely shut to the public at any time as hires will be restricted to designated areas within the park.
- Any necessary repairs to grass areas or other damage will be covered by deposits taken from the hirer.
- A contribution of all income raised will be spent on improving and maintaining the parks so that residents will benefit from these events.

Many other London boroughs have similar policies which make commercial use of their parks.

I would also like to take this opportunity to remind councillors why we in the Council have been forced to look at our parks and other assets and find ways we can make more revenue from them. This is not a position we would choose to be in. The Conservative led coalition cuts have reduced our funding by £72m. This administration is committed to ensuring there are no cuts to frontline services. We have maintained our Youth Service, Children's Centres and Ideas Stores. We are continuing to build and improve our council housing. All these are services which we know are extremely important to our residents. However in order to continue to support these services we have to find ways to increase revenue from our existing assets.

I have considered the implications and believe it is better to have income from events that contribute to community cohesion than to make cuts to essential services and local people jobless. There will be bond arrangements in place to ensure that, should any damage occur, it will be repaired at the hirers cost. There will always be public access so no one need miss out on their exercise.

**8.7 Question from Councillor Shiria Khatun:**

Can the Mayor tell this Council what is being done to increase recycling in the borough?

**Summary of supplementary question from Councillor Shiria Khatun**

Does the Mayor share my concern that the proposed £15 charge for bulky waste collection risks littering the Borough with discarded mattresses, sofas and other polluting debris?

**Response by Councillor Shahed Ali, Cabinet Member for Environment**

Thank you for your question.

This administration is continually striving to improve the borough's recycling performance.

Our current recycling performance for Q1 is 29.5% against a target value of 27.26%.

We have undertaken a review of our recycling disposal contract to allow the Council to collect a greater range of materials that previously would have gone to landfill.

A recycling campaign will be launched that supports our overall recycling strategy.

In addition to this, we have successfully secured external funding to improve recycling across the borough. Part of this will be used to purchase a new recycling refuse collection vehicle.

The remainder of this funding is being used in partnership with Poplar HARCA to:

- Improve underground recycling storage facilities
- Extend the availability of underground recycling storage facilities
- Initiate an education program focused on decreasing contamination of recycled waste
- And canvas residents to review the location and availability of on street recycling bins

Recycling effectively involves a combination of having useful means of recycling as well as informing and engaging residents for the maximum impact across the Borough.

I am confident that the Borough's recycling performance will further improve with the strategies being implemented.

I do not have any concerns that introducing a very modest charge for bulky waste will increase littering in the Borough. A majority of London Councils

have already introduced charging for bulky waste and have not seen any increases in fly tipping or littering. It should also be noted that the Council has an excellent enforcement policy that is used when necessary.

#### **8.8 Question from Councillor Maium Miah:**

Can the Mayor inform the Council on whether the Rich Mix Centre has repaid its £850,000 short-term loan, as agreed by Michael Keith when he was Council Leader?

#### **Summary of supplementary question from Councillor Maium Miah**

Will the Mayor answer my question?

#### **Response by Councillor Rania Khan, Cabinet Member for Culture**

Thank you for your question.

The Legal Department is currently working on this matter, however no repayment has been made as of yet.

At Full Council meetings, the Mayor's approach has always been to deliver a verbal statement updating members on the progress of his administration, and then allow cabinet members to answer questions specific to our portfolios.

We are a strong cabinet, who invest long hours, remarkable intellect and hard work dealing with issues in minute detail on a day to day basis. We are well placed and will continue to answer questions specific to our portfolios.

#### **8.9 Question from Councillor Helal Uddin:**

How does the Mayor justify the recently announced significant rent rise, which will hit tenants already struggling with rising costs in other utilities, falling wages and benefit changes, and rising fees and charges for parking and other Council Services, and what measures will he be taking to mitigate its effect?

#### **Summary of supplementary question from Councillor Helal Uddin**

I would have expected the Mayor to have said what action he will be taking. Do I therefore assume there are no measures planned?

#### **Response by Councillor Rabina Khan, Cabinet Member for Housing**

Thank you for your question.

The Mayor and I are extremely concerned by the financial difficulties facing our residents as a consequence of Government policy. This is why we have taken the decision to freeze the Council Tax for the second year in succession – with an average saving of over £40 for each household.

However I must remind Councillors that the Housing Revenue Account is a separate account which must be balanced without cross subsidy from the general fund.

This Government's policy has forced us to increase rents through their national social rent policy, which has assumed Tower Hamlets will increase its rents – next year and in future years, well in excess of the rate of inflation. What I can also assure Members is that the actual rent increase will be well below this Government's guideline rent increase. Moreover all Councils are being forced to raise rents and ours are amongst the lowest increases.

Finally, all our residents on Housing Benefit will still have their rent covered, even with Central Government cuts. To limit rent rises we have ensured that THH delivers significant savings, without damaging the delivery of our Decent Homes Programme.

I am confident that following the changes made to the THH Board we will see an improvement in efficiencies.

The Mayor and I have worked to ensure that the rent rise is as low as possible, given the settlement from central government and our ambitious improvements programme. The Mayor's proposed budget is designed to protect services and keep more money in residents' pockets: We have frozen Council Tax; residents fees and charges have been largely frozen or are only rising inline with inflation; we are investigating the creation of an energy co-op which will reduce residents' bills and we are extending our London Living Wage policy to our contractors.

#### **8.10 Question from Councillor David Snowdon:**

Will the Mayor please outline what measures he is taking to promote the teaching of history in Tower Hamlets schools?

#### **Summary of supplementary question from Councillor David Snowdon**

Did the Mayor study GCSE history at school?

#### **Response by Councillor Oliur Rahman, Cabinet Member for Children's Services**

Thank you for your question.

I agree that the teaching of history in schools is extremely important; however the responsibility for this rests with the schools.

Unfortunately we have no funding or resources to promote the specific teaching of history in our schools.

However we have funded 1:1 tuition at both GCSE and A-level for all subjects. We know that this support helps pupils to feel able to take on subjects which are more intellectually challenging, including history.

The Mayor studied both O-Level and A-Level History.

### **8.11 Question from Councillor Kosru Uddin:**

Following the EDL visit and the riots last year and lack of involvement of THEOs in supporting the borough's residents, has a revised strategy been agreed in terms of THEOs involvement in community safety if future disturbances on the scale witnessed last year were to be repeated?

### **Summary of supplementary question from Councillor Kosru Uddin**

£258,600 has been identified for funding activities in the Borough to combat the highest levels of gang and youth violence for 20 years. In what innovative ways will this be spent and how will value for money be achieved?

### **Response by Councillor Ohid Ahmed, Deputy Mayor**

Thank you for your question but it is not correct to maintain that THEO's were not involved in supporting the Boroughs residents during the EDL visit or the riots.

It is important to remember that THEO's are not riot police. This is a specialist police role.

But during these incidents THEO's were deployed in consultation with the Police to undertake high visibility patrols in areas of the Borough, report any problems through pre arranged command channels and provide reassurance to residents. All deployment decisions form part of a joint tasking process involving the Police.

At the height of the riot disturbances the police told everybody to stay off the street so that specially trained police officers could deal with the street violence.

The Service Head Safer Communities was in constant contact with the Borough Commander and his Team Leaders throughout the episode, assessing and providing the local authority response. At the end of this episode the Service Head met with the senior police staff to assess the borough response.

Whilst it is recognised that the police service struggled to provide sufficient police officers across London during the riot it was recognised that the local authority had performed well across a range of areas including the THEO's, The Civil Contingency Team, CCTV, Rapid Response Team, and emergency response team.

**8.12 Question from Councillor Stephanie Eaton to the Deputy Mayor:**

Would the Deputy Mayor agree that the 41% increase in burglary over the past 12 months in Bethnal Green North is a serious concern and would he join with me to urge the Borough Commander and the BGN Safer Neighbourhood Team to undertake an immediate review of the ward and implement burglary prevention measures in the ward?

**Summary of supplementary question by Councillor Stephanie Eaton**

Is the Deputy Mayor aware that the nearest branch of Victim Support is based at Waltham Forest and does he support a branch being opened nearer to Tower Hamlets?

**Response by Councillor Ohid Ahmed, Deputy Mayor**

Thank you for your question.

Any increase in burglary is obviously a concern and the Council and its partners are working tirelessly to address it.

There are a number of factors which impact upon this particular performance indicator. The current economic climate and levels of unemployment are just two of these factors.

It is encouraging to note that the overall trend for burglary since August 2011 has decreased by 23% resulting in the Borough performing better than many other London Authorities.

Through the close partnership working with the police a number of new initiatives have been launched:

- a dedicated burglary reporting system
- a project to proactively detect offenders and improve investigate techniques
- a programme of high impact operations planned over the next 6 months
- a new offender management unit which has a particular focus on targeting 'top offenders' in the Borough

Whilst it is disappointing that rates of burglary have increased in Bethnal Green north every effort is being made to address this trend.

I raised this in a meeting with the Borough Commander recently and have urged him to report back to me in due course the outcomes of the measures I have referred to above and I would be happy to feed the result of this conversation back to you.

Both the Council and the Police work exceptionally closely with victim support on a number of levels. As an Authority we fund specific Domestic Violence Advisors specifically for victims of Tower Hamlets and this work is undertaken

in the Borough. In addition the police work closely with the service referring victims of crime to them.

We will continue to fund Domestic Violence Advisors.

### **8.13 Question from Councillor Carlo Gibbs:**

Can the Mayor please tell me how many visits were made by residents to Rushmead One Stop Shop last year regarding Housing Benefit?

#### **Summary of supplemental question by Councillor Carlo Gibbs**

Residents attending the meeting are dismayed that these questions are being made a joke. People are facing a significant lowering of benefits and are losing a One Stop Shop where they could obtain advice. Will the Mayor make a commitment to review the decision to close Rushmead One Stop Shop?

#### **Response by Councillor Alibor Choudhury, Cabinet Member for Resources**

Thank you for your question.

A total of 20068 housing benefit enquiries have been managed through the Rushmead OSS in 2011/12. Members should be aware that the monthly average number of visits has halved over the course of the year.

After consultation with residents and Trade Unions there is now no specific proposal to close the One Stop Shop at Rushmead.

### **8.14 Question from Councillor Gloria Thienel:**

Considering the rising incidents of metal theft from public memorials; how many incidents of metal theft from a public memorial in Tower Hamlets has taken place in the last year, will the Mayor please inform the Council what measures he has taken to ensure that war memorials are protected in the London Borough of Tower Hamlets?

#### **Summary of supplementary question from Councillor Gloria Thienel**

Will the Mayor look at taking part in the pilot initiative that will stop scrap dealers from dealing in cash for scrap metal?

#### **Response by Councillor Ohid Ahmed, Deputy Mayor**

Thank you for your question.

Firstly, I would like to stress that the Mayor and I take any disrespectful behaviour towards War Memorials extremely seriously. I am sure that all

Members will agree with me that the people who undertake these thefts are completely despicable.

Whilst there are very few War Memorials in the Borough that are on Council land and therefore the responsibility of the Council we will work with our THEOs, CCTV network and the Police to ensure that we maintain vigilance and continue to protect these important memorials.

I would like to reassure Members that I have received no reports of thefts of this nature.

I think it may be helpful to set out the requirements we already have in place for controlling scrap metal. Dealing in scrap metal is controlled by the Scrap Metal Dealers Act 1964 and all scrap metal dealers trading in Tower Hamlets must register with the Council. Registration lasts three years and must be renewed if the registered person wishes to carry on as a dealer.

To register a dealer must provide the following information: full name and address or the address of the principal office; the address of each place in the borough that is being used to store scrap metal; if the business is carried out from a residence and if premises are used for a scrap metal business but not as a scrap metal store, notice of this and the address of the premises. Any alterations to this information must be notified within 28 days.

Every scrap metal dealer must keep a book detailing all scrap metal received at that place and all scrap metal either processed or dispatched from that place. These details include (for all metal received) the description and weight of the metal, the date and time of receipt of the metal; the name and address of the person the metal is received from, either the price of the scrap metal or its estimated value and the registration mark of any vehicle used to deliver the scrap metal.

Details also have to be kept for processed scrap metal, including the description and weight of the metal, the date of dispatch or processing and the process applied, where scrap metal is dispatched for sale or exchange, the name and address of the person to whom it is sold or exchanged and the consideration for which it is sold or exchanged and where scrap metal is dispatched or processed other than for sale, its estimated value before being dispatched or exchanged.

The Government is looking to strengthen these requirements, especially with regard to the traceability of both the materials and the seller. Our Trading Standards Team has been involved in partnership action with local and transport police to audit and inspect local scrap metal dealers and would be willing to be involved in any further action that seeks to curtail the sale of stolen metal.

#### **8.15 Question from Councillor Khales Uddin Ahmed:**

Can the Mayor tell me how many jobs so far have been taken up by Tower Hamlets residents as a result of the deal made between him and LOCOG?



**Summary of Supplementary question from Councillor Khaled Uddin Ahmed**

At the last Full Council meeting, the Lead Member said that only 30 jobs had been secured – what is the position now?

**Response by Councillor Shafiqul Haque, Cabinet Member for Jobs and Skills**

Thank you for your question.

I am pleased to be able to report that as of the 10<sup>th</sup> January 2012, six hundred and sixty three (663) job offers had been made to Tower Hamlets residents by LOCOG contractors.

I am also pleased to report that in addition to the job offers made by Games contractors two hundred and five (205) Tower Hamlets residents are employed directly by LOCOG which represents 8.7% of LOCOG's total workforce.

We are holding another Olympic Job Fair later this month to help residents to apply.

**8.16 Question from Councillor Harun Miah:**

Will the Mayor and the lead member agree with me that the Private Finance Initiative was an unnecessary accounting trick which has not produced value for money for the taxpayer but has instead lumbered taxpayers with very large and potentially unsustainable future debts and could they confirm which PFI schemes imposed on Tower Hamlets schools have run into financing problems, what the implications are of these problems and what the council is doing to sort these problems out?

*(No supplementary question was asked)*

**Response by Councillor Rania Khan, Cabinet Member for Culture**

Thank you for your question.

PFI was, and continues to be, an option for securing significant investment in public sector capital projects. Individual projects need to be assessed on their own merits for value for money.

There are currently no financing problems relating to PFI schemes of Tower Hamlets schools. There is however an issue with updating the financing model to ensure the right level of schools contributions and contributions from the Dedicated Schools Grant for the financing of the Grouped Schools PFI contract.

Officers have been discussing the options with the 24 schools in the PFI contract and with Schools Forum. These discussions will shortly be brought to a conclusion and officers will bring a report to Cabinet before the end of the financial year, to regularise the position to ensure that the PFI account balances by contract end in 2027.

#### **8.17 Question from Councillor Anna Lynch:**

Can the Mayor tell me how many times he has met ministers of the Department for Health in the last six months, on what occasions and what issues he raised on each occasion?

*(NB: The above question was not put at the meeting as Councillor Anna Lynch was not in attendance)*

#### **Response by Councillor Abdul Asad, Cabinet Member Health and Wellbeing**

Thank you for your question.

The Mayor has not met with ministers of the Department of Health in the last six months.

The Mayor has sent a joint letter, with Aman Dalvi, to raise concerns expressed by Cabinet and CMT around the proposed merger of Barts and the London, Whipps Cross and Newham General Hospitals. In particular, the lack of consultation with the community and concerns over reduction to services.

#### **8.18 Question from Councillor Craig Aston:**

Will the Mayor provide an update on energy efficiency in the Town Hall building?

#### **Summary of supplementary question from Councillor Craig Aston**

On the standard European energy rating scale of A-G, this building is in Band G. What are the implications of this in terms of extra energy costs?

#### **Response by Councillor Alibor Choudhury, Cabinet Member for Resources**

Thank you for your question.

Our Town Hall has an unfortunately low level of energy efficiency. It is considered a 'G' according to the Display Energy Certificate (DEC). This is a typical rating for this type of building and construction type.

The council has a Carbon Management Plan in place to improve the energy efficiency and reduce energy usage in all of its operational buildings.

The refurbishment of Mulberry Place will include energy efficiency improvements such as low energy lightings, energy efficient ventilation systems and better Building Energy Management System for the plant room. Initial discussions with the contractors have indicated that an energy reduction of 30% could be achieved. The new ICT systems will significantly reduce the energy consumption by the current IT equipment.

As the council does not own Mulberry Place, it is limited to the improvements it could make taking in to consideration the pay back period for the investment and the length of time remaining in the lease.

For those buildings that are in the ownership of the council we are investigating the RE: FIT project managed by the LDA. The RE: FIT project provides a commercial model for public bodies to implement energy efficiency improvements to their buildings, reducing energy consumption and carbon emissions

The 'G' rating on the display energy certificate is an indication on how much energy is being used to operate the building, it does not directly relate to a building's energy cost effectiveness.

The typical benchmark rating for a building like the Town Hall would be 100 which is a 'D' rating, presently Mulberry is showing 173. The refurbishments, which will include the high energy consumers such as lighting, ventilation and IT systems, will all have an implication on energy cost but because of the nature of this type of building we would not expect a significant reduction in rating. The refurbishments are unlikely to generate a real price reduction in energy costs because of the volatility of the market and predicted price increases.

#### **8.19 Question from Councillor Zenith Rahman:**

Given the reductions he has already made in street cleaning in the borough, what measures is the Mayor taking to ensure that the increasingly filthy streets will not negatively impact on Tower Hamlets securing City Status?

*(NB: The above question was not put at the meeting)*

#### **Response by Councillor Shahed Ali, Cabinet Member for Environment**

Thank you for your question but I believe you are mistaken. Not only do the streets of Tower Hamlets continue to be clean, there has been a marked improvement in the level of street cleanliness over the past 12 months. In fact I am happy to announce that our streets are demonstrably cleaner than they have ever been before. So clean in fact that the City of Paris has recently sent over a delegation to see how it is done for the money. I am confident that our street cleansing service will play its part to increase our chances of gaining city status.

I receive regular reports detailing the Council's performance in key areas of service delivery.

The Mayor has repeatedly made it clear that the cleanliness of streets is one of this Council's main priorities. So far it is pleasing to note that our partners Veolia have constantly met their targets that have been set for them.

Not only do we set challenging targets for Veolia but we also undertake a number of educational and promotional activities to dissuade people from littering.

The Mayor has also recently invested in 1200 litter bins across the Borough and introduced the new 'find it fix it' teams to react to littering hot spots that may occur irregularly across our Borough.

Our bid for City Status will not simply be based on the excellent public services we provide but also on the basis that Tower Hamlets is, and has been for centuries, an engine room for the economy and wellbeing of the United Kingdom.

It is important for us to note that this borough is one of the 3 central business districts in the heart of London along side Westminster, and the square mile of the Corporation of London, both of which are already cities.

We expect the result of our city status submission to be known shortly.

#### **8.20 Question from Councillor Lutfa Begum:**

What has been done to help overcrowded families who are reluctant to move to Car Free Properties?

#### **Summary of supplementary question from Councillor Lutfa Begum**

Some social housing developments have their own car parking. Will the Mayor seek to include this in street parking to achieve more spaces?

#### **Response by Councillor Rabina Khan, Cabinet Member for Housing**

Thank you for your question.

The Mayor requested the development of a Permit Transfer Scheme (PTS) which was introduced in September 2011. This scheme allows for those families who move to retain one on-street resident car parking permit subject to certain criteria being met.

The introduction of the PTS fulfils a Mayoral priority to help some larger families move from overcrowded accommodation into more suitable social rented car free homes, whilst at the same time balancing the need to encourage healthier, greener lifestyles to improve the quality of life for all our communities living and working in the borough.

Additionally, where on-site car parking is provided in future housing schemes, it is the intention through the planning process to allocate, for the first time, an equitable proportion to affordable family homes.

In addition to the PTS, the Council is continuing to work to improve all transport modes in the borough, including expanding our car club, walking and cycling networks, as well as working with TfL to improve public transport in the borough

Whilst the allocation of designated parking bays on housing estates are under the control of the Registered Social Landlords, encouraging RSLs to widen the use of their parking spaces would be of benefit to residents in the borough. The Council's parking service is seeking a dialogue with the RSL's on a number of issues. The Mayor and I have asked them to raise the possibility of introducing shared bays on estate roads where on street demand for permit bays regularly exceeds supply.

It would be for the Council, through Tower Hamlets Homes and the Registered Providers (RPs) in the Borough to decide whether they wished to designate parking bays on estate roads for use by Tower Hamlets on-street residents' permit holders. The Council's Parking Service will be in dialogue with the RPs on a number of issues raised in the recent Parking Service Scrutiny and I have asked them to raise the possibility of introducing shared bays (estate permit or on-street residents' permit) on estate roads where on-street demand for permit bays regularly exceeds supply. Responsibility for enforcing any such bays would remain with the RPs. Members will recall that currently, while there may be local variations, in each of the Boroughs four CPZs there is more or less parity between the number of resident's permits and on-street bays where they can be used.

As part of the LBTH consultation draft Managing Development Plan Document (MDDPD), where on-site car parking is provided in future housing schemes, it is the intention through the planning process to allocate an equitable proportion of these parking spaces to affordable family homes.

In addition, the Council is also continuing to work to improve all transport modes in the borough, including expanding our car club, TfL Cycle Hire Scheme, walking and cycling networks, as well as working with TfL to improve public transport in the borough.

#### **8.21 Question from Councillor Tim Archer:**

Will the Mayor provide an update on the progress of the motion agreed by full Council on 15 September 2010, to bring the Henry Moore statue back to the borough and explain to the Council why this is taking so long, what meetings/discussions have taken place and will the statue be back in time for the Olympics?

**Response by Councillor Rania Khan, Cabinet Member for Culture**

Thank you for your question.

The Yorkshire Sculpture Park was advised of the Council's intention to make alternative arrangements for the sculpture and initial discussions have taken place with Canary Wharf Management Group.

Alternative locations are still being explored, the most appropriate being Victoria Park where works are still underway.

In view of the very real risk of theft of artworks for scrap metal; as evidenced by the recent theft of a large Barbara Hepworth sculpture from Dulwich Park in South London, and indeed the question by Cllr Thienel, we will not make new arrangements for this sculpture until we are absolutely certain that we are making the right choice.

*(Councillor Timothy Archer stated that he would send a supplementary question to the Mayor in written form)*

**8.22 Question from Councillor Kabir Ahmed:**

Could the Mayor tell us what has been the impact of his significant investment in tackling drugs and anti-social behaviour?

**Response by Councillor Ohid Ahmed, Deputy Mayor**

Thank you for your question.

The Council Funded Police Partnership Taskforce has worked closely with the Tower Hamlets Enforcement Officers (THEOs) to bring about significant reductions in Anti-Social Behaviour.

By Police and Council measures, for example, the last full months data (December) shows a decrease in anti-social behaviour (ASB) of 22.4%. Within this are significant reductions in particular areas such as an 81% decrease in ASB related to street drinking.

The team undertakes regular drugs and weapons sweeps through which it has recovered money, drugs and weapons.

In the last month alone, the team has shut down 3 cannabis factories, seized 9 vehicles and recovered drugs with a street value of £100,000. A number of problem licensed premises have had their licenses revoked and have been shut down.

In total since the launch of the Taskforce, the partnership has achieved 286 arrests, 2676 stop and searches, 172 cannabis warnings, 24 penalty notices for disorder and 19 seized vehicles.

It has received positive feedback from residents, for example recently, its work on drug dealing around Beaumont square.

A recent Police operation in the Borough resulted in a drug dealing gang being arrested and receiving a total of 53 years imprisonment.

Dealer a day remains a priority and to date in the current financial year 298 dealers have been arrested.

### **8.23 Question from Councillor Dr Emma Jones:**

How many people sacked from Tower Hamlets employment have accidentally continued to be paid in the past year?

### **Response by Councillor Alibor Choudhury, Cabinet Member for Resources**

Thank you for your question.

There have been no overpayments to dismissed employees.

### **8.24 Question from Councillor Aminur Khan:**

How has the Mayor progressed on his pledge to make sure Registered Social Landlords deliver on their service agreements?

### **Response by Councillor Rabina Khan, Cabinet Member for Housing**

Thank you for your question.

We use a variety of methods to ensure that Registered Providers (RPs) working in Tower Hamlets are delivering on their service agreements.

RPs who received stock from the Council under the Housing Choice programme, submit a detailed monitoring return to the council once every six months. This report indicates the progress that each RP is making towards delivering the promises made to tenants and leaseholders, when the ownership of the estate was transferred from the Council. Indicators monitored include progress on delivering the investment promised, delivering the Decent Homes Standard, progress on new build developments, estate improvement works, and Governance arrangements.

In May 2010, the Council selected 16 preferred development partners following a rigorous selection process. This initiative enables the Council to have better control over the quality of properties being built in the borough as well as making Registered Providers more accountable for the services delivered to the residents that occupy them. Council representatives meet with developing partners on a regular basis to monitor the progress of their schemes and discuss any management issues brought to our attention.

Where areas of under performance are identified, we work in partnership with the RP both individually and collectively to improve their services and monitor their progress. On an individual level, we achieve this through regular meetings and developing action plans for improvement which is monitored on a regular basis.

Collectively we improve service provision through the work we do as part of the Tower Hamlets Housing Forum (THHF). We are going to work with THHF to develop a set of common housing management standards, which will enable us to hold providers to account for their performance on a standardised basis.

The Council has also agreed a range of 'local offers' with RPs in the Borough, which set out a clear set of standards which all RPs have agreed deliver to Tower Hamlets residents in specific service areas. These 'offers' were developed with residents based on the areas of the service delivery they were most concerned about. These 'offers' are currently being monitored through a Resident's Scrutiny Panel which meets on a regular basis to advise on the how the Local Offers are being implemented in the various Housing Associations and make recommendations for improvement.

#### **8.25 Question from Councillor Shafiqul Haque to the Cabinet Member for Housing:**

Many housing estates in the borough are benefiting from regeneration. I would like to thank the Mayor for bringing this much needed investment. However many of our leaseholders are suffering in the current financial climate, with increasing inflation, fuel prices and worries around employment. How are we ensuring that leaseholders will be charged fairly for any major works?

#### **Response by Councillor Rabina Khan, Cabinet Member for Housing**

Thank you for your question.

For regeneration initiatives to be successful in the borough, the interests of all residents are considered, such as tenants and private home owners, including council leaseholders.

In the current financial climate, there are challenging funding issues, but also strategies to ensure that, as far as possible, whilst lasting improvements are made, the existing communities are not disadvantaged.

It is recognised that leaseholders have specific concerns in the present economic climate, whether they live in the homes they own or sub-let them as private landlords.



Each social landlord, whether Tower Hamlets Council or a Registered Provider (Housing Association), will work with the homeowners affected by its regeneration initiatives.

Leaseholders are required to pay a pro-rata proportion of the cost of qualifying works under the terms of their leases. Before works commence leaseholders are presented with an indicative cost of the works to be done to their particular blocks - subject to the final account upon completion of the works - through the standard Section 20 Notice. Leaseholders then have the right to respond to their particular landlord on any issues or observations they wish to raise.

Leaseholders should also benefit from reduced fuel costs where works are devised to make homes in blocks more energy efficient.

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

### 9.1 Substance Misuse Strategy

The Council considered the report of the Cabinet at its meeting dated 7<sup>th</sup> December 2011, incorporating the report of the Corporate Director, Communities, Localities and Culture, proposing the adoption of a Borough-wide Substance Misuse Strategy.

Councillor Ohid Ahmed **MOVED** and Councillor Kabir Ahmed **SECONDED** the recommendations as contained in the report.

After debate Councillor Motin Uz-Zaman **MOVED** and Councillor Joshua Peck **SECONDED**, a procedural motion – “That under Procedural Rule 14.1 the question be now put.” The procedural motion was put to the vote and was **agreed**.

The report recommendations were then put to the vote and were **agreed** with no Member voting against. Accordingly, it was:-

#### **RESOLVED**

That the Substance Misuse Strategy be adopted as set out at Appendix 1 to the report of the Cabinet (CAB 054/112) and included at pages 71 to 156 of the Council agenda.

#### **Procedural Motion**

At this point, Councillor Alibor Choudhury **MOVED** and Councillor Ohid Ahmed **SECONDED**, a procedural motion – “That under Procedural Rule 14.1.3 the order of business be varied to allow item 11.1 on this agenda to be considered as the next business.”

The procedural motion was put to the vote and was **defeated**.

## 9.2 London Local Authorities and Transport for London Act 2003 (Section 16) - report of the Cabinet Meeting on 11th January 2012

The Council considered the Cabinet report dated 11<sup>th</sup> January 2012, incorporating the report of the Corporate Director, Communities, Localities and Culture, in relation to Section 16 of the London Local Authorities Act 2003, concerning vehicles driving over the footway.

Councillor Shahed Ali **MOVED** and Councillor Shafiqul Haque **SECONDED**, the recommendations as contained in the report.

After debate, Councillor Motin Uz-Zaman **MOVED** and Councillor Joshua Peck **SECONDED**, a procedural motion – “That under Procedural Rule 14.1.10 the question be now put.”

The procedural motion was then put to the vote and was **agreed**.

The report recommendations were then put to the vote and were **agreed** with no Member voting against. Accordingly, it was:-

### **RESOLVED**

That it be determined that Section 16 of the London Local Authorities and Transport for London Act 2003 will come into operation in the London Borough of Tower Hamlets on 1<sup>st</sup> May 2012.

## 9.3 Proposed amendments to the Council's Constitution - report of the General Purposes Committee, 17th January 2012

The Council considered the report of the Assistant Chief Executive (Legal Services) proposing amendments to the Council's Constitution as recommended by the General Purposes Committee at its meeting held on 17<sup>th</sup> January 2012. The report, which was circulated with the supplementary agenda, superseded that which had been included in the original agenda papers.

The Council noted that the supplementary report had not been circulated with the Council agenda in accordance with the timescales set out in the Authority's constitution because the meeting of the General Purposes Committee reported therein took place after the agenda was sent to print. The report was nevertheless recommended for consideration at this meeting because the constitutional matters set out in the report required urgent resolution to enable the implementation of the decisions previously made by the Council and, in relation to the Budget Council procedures, to ensure these were in place before the Budget Council Meeting 2012.

The report was introduced by Mr John S. Williams, Service Head, Democratic Services and appropriate advice was provided by Ms Isabella Freeman,

Assistant Chief Executive (Legal Services), in particular drawing the Council's attention to the statutory officers' comments on the proposals regarding (i) recorded votes and (ii) virements.

Councillor Shiria Khatun **MOVED** and Councillor Joshua Peck **SECONDED** the recommendations of the General Purposes Committee as set out in the report circulated with the supplementary agenda.

In seconding the motion, Councillor Peck **MOVED** a **tabled** amendment as follows:-

"Delete points 11.5 and 11.6 and insert:-

'This Council instructs the Interim Chief Executive to make arrangements for a working group comprising a representative of the Executive, the majority and the other political groupings, senior officers and an independent adviser to consider the budget making and virement arrangements of the Council and make recommendations to a meeting of the next non-budget Full Council through the appropriate channel'."

Councillor David Edgar **SECONDED** the amendment moved by Councillor Peck.

Councillor Craig Aston **MOVED**, and Councillor David Snowdon **SECONDED**, a further tabled amendment as follows:-

"1. That the proposed amendment to Council Procedure Rule 17.4 at part 4.1 of the Constitution be deleted.

2. To delete the word 'ten' in Council Procedure Rule 17.4 at part 4.1 of the Constitution and substitute the word 'six'.

3. To amend Council Procedure Rule 17.4 at part 4.1 of the Constitution to add at the end:

'No recorded vote may be called on motions under Council Procedure Rules 14.1.10, 15.11.4 and 15.12.1 (that is, motions that the question be now put)'."

### **Extension of time limit for the meeting**

Councillor David Snowdon **MOVED** and Councillor Zara Davis **SECONDED**, a procedural motion – "That under Procedure Rule 15.11.7 the meeting be extended until completion of the current agenda item." The procedural motion was put to the vote and was **agreed**.

### **Procedural Motion**

Following debate, Councillor Motin Uz-Zaman **MOVED** and Councillor Bill Turner **SECONDED**, a procedural motion – "That under Procedure Rule

14.1.10 the question be now put.” The procedural motion was then put to the vote and was **agreed**.

The Service Head, Democratic Services advised the Council that Members should now consider and vote in turn on each recommendation contained in the report. Amendments to each recommendation could be proposed in the usual manner.

At the appropriate point during the Council’s consideration, the amendments previously moved by Councillors Peck and Snowdon respectively were put to the vote.

The amendment moved by Councillor Peck was **agreed**.

The amendment moved by Councillor Snowdon was **defeated**.

Each section of the substantive motion as amended was then put to the vote in turn and was **agreed**. Accordingly it was:-

### **RESOLVED**

1. That the deadline for amendments for the Budget Council meeting be brought forward to 9.15 a.m. on the working day before the budget meeting and the amendments be circulated to the Mayor and all Councillors, with any officer comments that are available, at least 24 hours before the meeting.
2. That the Budget Council Procedure Rules at paragraph 4.2 of Part 4.1 of the Constitution be amended as follows in relation to the first Budget Council meeting:
  - (a) Other than amendments notified in advance as above, no further substantial amendment may normally be moved at the budget meeting but the Council may, subject to the advice of the Monitoring Officer, Section 151 Officer and Head of Paid Service, agree that an amendment without notice can be debated.
  - (b) The Speaker will remind the Council at the start of the meeting of the importance where possible of all amendments being moved at the beginning of the debate or as soon as the need for the amendment is identified; and before moving to the ‘right of reply’ and voting stage of the meeting will give a final invitation for any further amendments. No new amendment may be proposed once the call for the vote has commenced.
  - (c) At the first Budget Council meeting, if a new amendment is moved during the final 30 minutes of the time allocated for the meeting, the meeting will automatically be extended by up to 30 minutes to enable that amendment to be debated before the guillotine procedure comes into operation. This will apply even if a previous extension has already been agreed.

(d) At the end of the 30 minutes if the debate is not complete, the guillotine process will come into operation in the normal way and the vote will proceed on the amendments and substantive motion the meeting will conclude, unless the Monitoring Officer and Section 151 officer advise the Speaker that the matter has not been sufficiently discussed – in this case the meeting will continue to consider any outstanding amendment(s) and any further amendments that may arise directly as a consequence of those amendments only.

(e) Nothing in the above provisions should extend the meeting beyond a total duration of five hours, at which point the guillotine process shall come into operation.

3. That the Budget and Policy Framework Procedure Rules at Part 4.3 of the Constitution be amended as follows:-

(a) The adoption or approval of the plan or strategy is the responsibility of the full Council;

(b) The Mayor as the Executive has responsibility for preparing the draft plan or strategy for submission to the full Council; and

(c) If the Council wishes to amend the Mayor's proposals in relation to the items included in the Budget and Policy Framework only, the Local Authorities (Standing Orders) (England) Regulations 2001 set out the dispute resolution procedure to be followed. The Council must inform the Mayor of any objections which it has to his proposals (i.e. the amendments it wishes to agree) and must give the Mayor at least five working days to reconsider his proposals and re-submit them (amended or not, with reasons) to a further Council meeting. If at this further meeting the Council still wishes to amend the Mayor's revised proposals, such a decision requires a two-thirds majority of the Members present and voting. If no valid amendment at the further meeting receives two-thirds support, the Mayor's proposals are deemed adopted in accordance with the regulations.

4. That the position of Deputy Chair of Council be re-designated as 'Deputy Speaker'.

5. That Council Procedure Rule 27.1 be amended to state:-

'No photography or video or audio recording of any kind by Members, guests or members of the public may take place at any Council meeting without the express permission of the Speaker. The Council may determine that the proceedings of the Council Meeting shall be audio recorded by the officers and those recordings stored in accordance with a policy agreed by the Council and accessed by any member on request, for their own use, including publication. Such requests to be made in writing to the Monitoring Officer.'

6. That Council Procedure Council Procedure Rule 17.4 at part 4.1 of the Constitution be amended as follows:  
  
‘**Recorded vote.** If twenty Members present at the meeting request it by rising from their seats, the names for and against the motion or amendment or abstaining from voting will be taken down in writing and entered into the minutes.’
7. That the recommendations of the General Purposes Committee in relation to the Financial Procedure Rules as set out in Paragraphs 11.5 and 11.6 of the report be deleted; and
8. That this Council instructs the Interim Chief Executive to make arrangements for a working group comprising a representative of the Executive, the majority and the other political groupings, senior officers and an independent adviser to consider the budget making and virement arrangements of the Council and make recommendations to a meeting of the next non-budget Full Council through the appropriate channel.
9. That the Assistant Chief Executive (Legal Services) be authorised to amend the text of the Constitution as necessary to give effect to the changes agreed at 1-8 above.

[Note from Clerk: Following the meeting, Councillors Tim Archer, Craig Aston, Zara Davis, Peter Golds, Dr Emma Jones, David Snowdon and Gloria Thienel each requested that their vote against resolution 6 above be recorded in the minutes of the meeting.]

#### **Time limit for the meeting**

At this point, the Service Head, Democratic Services informed the Council that the time limit for the meeting had been reached. In accordance with Procedure Rule 9.2, the Council then voted on each remaining item of formal business (except motions on notice at agenda item 12) without further debate and the Speaker then declared the meeting closed.

#### **9.4 Recruitment of Chief Executive - update**

The Council received the report of the Human Resources Committee dated 18<sup>th</sup> January 2012, concerning the progress made in the recruitment to the post of Chief Executive and proposing the extension of the current interim appointment pending completion of that process.

The report had not been circulated with the Council agenda in accordance with the timescales set out in the Authority’s constitution because the meeting of the Human Resources Committee reported therein took place after the agenda was despatched. The report was nevertheless considered at the meeting in order to ensure that there was no delay to the recruitment process

for the post of Chief Executive and to ensure continuity of the interim appointment.

### **RESOLVED**

1. That the update on progress and the revised timetable for the recruitment to the post of Chief Executive be noted.
2. That in view of the revised timetable, the appointment of Aman Dalvi, Corporate Director, Development and Renewal, as Interim Chief Executive (Head of the Paid Service) be extended until the Annual Council Meeting in May 2012.

## **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 Treasury Management Strategy Statement, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2011/12**

The Council received the report of the Corporate Director, Resources proposing the adoption of the Treasury Management Strategy Statement; Revised Annual Investment Strategy and Minimum Revenue Provision Policy Statement.

### **RESOLVED**

1. That the Treasury Management Strategy Statement be adopted as set out in sections 6-10 of Appendix 1 to the report of the Corporate Director, Resources.
2. That the Revised Annual Investment Strategy be adopted as set out in section 11 of Appendix 1 to the report of the Corporate Director, Resources.
3. That the Minimum Revenue Provision Policy Statement be adopted as set out in section 12 of Appendix 1 to the report of the Corporate Director, Resources.

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

Motions 12.1, 12.9, 12.11, 12.13 and 12.14 had been debated earlier in the meeting.

Motions 12.2; 12.3; 12.4; 12.5; 12.6; 12.7; 12.8; 12.10; 12.12; 12.15; 12.16 and 12.17 were not considered due to the time limit being reached. Tabled amendments to motions 12.4; 12.5; 12.6; 12.10 and 12.12 were not moved, accordingly.

The meeting ended at 11.20 p.m.

Chair,  
Council



**LONDON BOROUGH OF TOWER HAMLETS**

**MINUTES OF THE COUNCIL (BUDGET MEETING)**

**HELD AT 7.30 P.M. ON WEDNESDAY, 22 FEBRUARY 2012**

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

**Members Present:**

Mayor Lutfur Rahman	Councillor Dr. Emma Jones
Councillor Helal Abbas	Councillor Anwar Khan
Councillor Khaled Uddin Ahmed	Councillor Aminur Khan
Councillor Kabir Ahmed	Councillor Rabina Khan
Councillor Ohid Ahmed	Councillor Rania Khan
Councillor Rajib Ahmed	Councillor Shiria Khatun
Councillor Rofique U Ahmed	Councillor Anna Lynch
Councillor Shahed Ali	Councillor Md. Maium Miah
Councillor Tim Archer	Councillor Harun Miah
Councillor Abdul Asad	Councillor Fozol Miah
Councillor Craig Aston	Councillor Mohammed Abdul Mukit MBE
Councillor Lutfu Begum	Councillor Ahmed Adam Omer
Councillor Mizan Chaudhury	Councillor Lesley Pavitt
Councillor Alibor Choudhury	Councillor Joshua Peck
Councillor Zara Davis	Councillor Zenith Rahman
Councillor Stephanie Eaton	Councillor Oliur Rahman
Councillor David Edgar	Councillor Rachael Saunders
Councillor Marc Francis	Councillor David Snowdon
Councillor Judith Gardiner	Councillor Gloria Thienel
Councillor Carlo Gibbs	Councillor Bill Turner
Councillor Peter Golds	Councillor Kosru Uddin
Councillor Shafiqul Haque	Councillor Helal Uddin
Councillor Carli Harper-Penman	Councillor Abdal Ullah
Councillor Sirajul Islam	Councillor Motin Uz-Zaman
Councillor Ann Jackson	Councillor Amy Whitelock
Councillor Denise Jones	

The meeting commenced at 7.36 p.m.

**The Speaker of Council, Councillor Mizanur Chaudhury, in the Chair**

Before commencing the formal business of the meeting, the Speaker commended to all Members their support for and/or participation in, the sponsored run to be held on 3<sup>rd</sup> March 2012 in aid of the 'Stairway to heaven' memorial which honoured of all those who died in the Bethnal Green Tube Station disaster on 3<sup>rd</sup> March 1943.

**1. APOLOGIES FOR ABSENCE**

No apologies for absence were received.

## 2. DECLARATIONS OF INTEREST

Members declared interests in items included on the agenda for the meeting as follows:-

Councillor	Item	Type of interest	Reason
Cllr Rajib Ahmed	5.1	Personal	Ward Councillor, East India & Lansbury (includes Ailsa Street)
Cllr Abdul Asad	5.1	Personal	Employed by a youth service provider
Cllr Lutfa Begum	5.1	Personal	Ward Councillor, Limehouse and Member of RCN and NMC
Cllr Marc Francis	5.1	Personal	Council-appointed representative on Mudchute Farm Association Board
Cllr Peter Golds	5.1	Personal	Council-nominated representative to Green Candle Dance Co.
Cllr Shiria Khatun	5.1	Personal	Ward Councillor, East India & Lansbury (includes Ailsa Street); and personal interest in 'Capitalise' organisation.
Cllr Joshua Peck	5.1	Personal	Council-appointed representative on the Greenwich and Docklands Festival

## 3. TO RECEIVE ANNOUNCEMENTS (IF ANY) FROM THE SPEAKER OF COUNCIL OR THE CHIEF EXECUTIVE

No announcements were made at the meeting.

## 4. TO RECEIVE ANY PETITIONS

No petitions were received at the meeting.

## 5. BUDGET AND COUNCIL TAX 2012/13

### 5.1 Report of the Cabinet Meeting of 8th February 2012

Mayor Lutfur Rahman introduced his Executive's revised budget proposals as set out in the report of the Cabinet meeting on 8<sup>th</sup> February 2012, which was circulated to Members in the supplementary agenda. The Mayor commented

that his main priority was to protect the Borough and the most vulnerable sections of the community from the Government's cuts agenda and to give value for money. He intended to continue the provision of free home care for the elderly; maintain youth centre provision; ensure that no libraries or youth facilities were closed and protect lower-waged staff. The proposals would also protect the level of voluntary sector grants and would ensure that Council Tax would be frozen for the third year in succession.

The Mayor thanked those Members who had contributed to the development of his budget proposals and/or proposed the amendments that he had agreed to incorporate at the Cabinet meeting.

Councillor Alibor Choudhury **MOVED**, and Councillor Ohid Ahmed **SECONDED**, the budget proposals of the Mayor and Executive.

Three budget amendments were tabled and moved in accordance with Procedure Rule 2A.8 as follows:

- (i) Amendment **MOVED** by Councillor Anwar Khan and **SECONDED** by Councillor Carlo Gibbs as set out at Annex A to these minutes;
- (ii) Amendment **MOVED** by Councillor David Snowdon and **SECONDED** by Councillor Zara Davis as set out at Annex B to these minutes;
- (iii) Amendment **MOVED** by Councillor Kabir Ahmed and **SECONDED** by Councillor Maium Miah as set out at Annex C to these minutes.

Following debate on the Mayor's proposals and the above amendments, Councillor Alibor Choudhury **MOVED**, and Councillor Ohid Ahmed **SECONDED**, a further amendment without notice proposing additional savings and income opportunities as follows:-

"This Council Notes:

1. On SRAs:

- a) There are currently two levels of SRA for the leaders of groups with over 6 Councillors: The leader of a group with 6 members receives £5,531 p.a., whilst the leader of a group with 7 or more councillors receives £10,174 p.a. (These arrangements do not include the leader of the majority group, who received an SRA at the same level as a Cabinet Member.)
- b) Currently there is only 1 group in Council with over 6 Councillors.
- c) That the leader of this group's current SRA is £10,174 p.a. over and above the basic allowance of £10,065.
- d) This is higher than the recommended level by the Independent Panel on the Remuneration of Councillors in London or £2,368 to £8,852 p.a.
- e) This is far higher than in comparative boroughs Lewisham and Newham, where the SRA is £5,275 and £3,621 p.a..

2. On Events in Parks:
  - a) Currently all our large scale events are held in Victoria Park.
  - b) There are currently no events held in Millwall Park, despite it being one of the largest parks in the borough.

This Council believes:

1. On SRAs:
  - a) The two tiered system is unnecessary and not supported by the Independent Panel's recommendation.
  - b) In a year in which we have seen falling incomes for many, elected representatives should ensure that their remuneration is reasonable, as indicated by the Independent Panel's recommendations and comparative boroughs.
2. On Events in Parks:
  - a) Events in parks provide a vital source of income, both to support the maintenance of the parks and to fund community festivals and events.
  - b) Currently Victoria Park takes the strain of hosting these events.
  - c) The borough has a few other large parks capable of hosting events, which could help distribute events more evenly around the borough.
  - d) Millwall Park is the biggest park in the south of the borough, it is also bordered by ASDA and the DLR, reducing the number of residents directly affected by noise.

This Council resolves:

1. On SRAs:
  - a) To bring the SRA of the leader of any group other than the majority group in line with the recommendation of the Independent Panel and other comparative Councils.
  - b) That this level of SRA should be the same level as for a Committee Chair, at £5,531 p.a.. This would create a saving of £4,643.
2. On Events in Parks:
  - a) That the number of event days in Victoria Park be reduced by 1 and that a maximum of 4 events should be held in Millwall Park.
  - b) This will yield a revenue increase from events in parks of at least £30,000.

Total revenue made available to meet the budget gap: £34,643."

### **Adjournment**

The Speaker adjourned the meeting at 9.10 p.m. so that officers' advice could be sought in relation to the above proposed amendment. The meeting reconvened at 9.30 p.m.

Following the adjournment, the Monitoring Officer advised the Council that the part of the proposed amendment that related to Events in Parks was an

executive matter and therefore out of scope for the Council meeting. The proposal in relation to Special Responsibility Allowances was in order but represented a new amendment which could only be accepted for debate by a majority vote of the Council. The Speaker then put to the vote the proposal that section 1. of Councillor Choudhury's amendment be accepted for debate and this was **defeated**.

### **Adjournment**

Following further debate, the Speaker adjourned the meeting at 9.35 p.m. at the request of the Mayor, to enable consideration of the tabled amendments. The meeting reconvened at 9.50 p.m.

Following the adjournment the Mayor amended his budget proposals (i) by accepting in full the amendment proposed by Councillors Kabir Ahmed and Maium Miah; and (ii) by accepting some elements of the amendment proposed by Councillors Anwar Khan and Carlo Gibbs. The full list of changes accepted by the Mayor is attached at Appendix 1 to these minutes.

In relation to some other elements of the amendment proposed by Councillors Anwar Khan and Carlo Gibbs, which the Mayor was not able to include in his revised budget proposal, he nevertheless indicated further that he intended to:-

- Request the Interim Corporate Director, Children, Schools and Families and the Corporate Director, Communities, Localities and Culture, to deliver the feasibility study for afterschool patrols within existing resources.
- Undertake a review of insulation and fuel poverty issues in partnership with Labour Councillors.
- Give further consideration to the proposals in relation to the Register of Landlords, and the use of the New Homes Bonus for Decent Homes works, and ask officers to bring a paper on these matters to the next Cabinet meeting.
- Investigate further the proposal regarding internships for local residents and how this might be delivered through the PCOP process.
- Ask officers to look further into the concerns raised by the Labour Group around parking permits and the CLC budget for bulk waste collection, rat control and charges to business for external furniture and signage, and bring a report to the next Cabinet meeting on these matters.
- Ask officers also to submit a report to the next Cabinet meeting to clarify matters on Domiciliary Care Services, about which the Mayor believed there was a misunderstanding.

Finally, the Mayor stated that he did not accept any elements of the amendment proposed by Councillors David Snowdon and Zara Davis.

### **Adjournment**

The Speaker adjourned the meeting at 10.02 p.m. at the request of the Group Leaders to enable consideration of the Mayor's statement. The meeting reconvened at 10.20 p.m.

Following the adjournment, Councillor Joshua Peck indicated that in the light of the changes made by the Mayor to his budget proposals, the amendment proposed by Councillors Anwar Khan and Carlo Gibbs was withdrawn and replaced by a new amendment, **MOVED** by Councillor Peck and **SECONDED** by Councillor Carlo Gibbs, as follows:

"This Council Notes:

The Mayor has accepted the vast majority of Labour amendments to protect the vulnerable and welcomes these changes.

This Council Further Notes:

That residents are often forced to refuse much needed new homes in Car Free developments because they need a car.

This Council Resolves:

To call on the Mayor to implement extended car free developments to one and two bedroom properties."

At this point, Councillor Alibor Choudhury **MOVED** and Councillor Ohid Ahmed **SECONDED**, a procedural motion – "That under Procedure Rule 14.1.10 the question be now put." The procedural motion was put to the vote and was **agreed**.

Following the Mayor's right of reply, the tabled amendment proposed by Councillors David Snowdon and Zara Davis was put to the vote and was **defeated**.

The further amendment proposed by Councillors Joshua Peck and Carlo Gibbs as set out above was then put to the vote and was **agreed**.

Finally the substantive motion, being the Mayor and Executive's budget proposals as amended, was put to the vote and was **agreed**.

The Monitoring Officer informed the Council of advice from the Section 151 Officer that the decisions taken by the Council would have the effect of reducing the General Reserves by £762,000.

Accordingly, it was **RESOLVED**

**A. General Fund Revenue Budget and Council Tax Requirement 2012/13**

1. That the revised budget proposals of the Mayor and Executive, included in the Budget 2012/13 Document Pack, amended as set out in the report of the Mayor in Cabinet of 8<sup>th</sup> February and further amended as at Appendix 1 to these minutes, be agreed.
2. That a General Fund revenue budget of £292.265m and a total Council Tax Requirement for Tower Hamlets in 2012/13 of £80.43m be agreed as set out in the table below:-

Service	Revised Base 2011-12 £'000	Savings		Growth £'000	Earmarked Reserves £'000	Total Budget 2012-13 £'000
		Approved £'000	New £'000			
Adults Health & Wellbeing	99,463	(3,329)	(801)	1,213	(1,100)	95,446
Children, Schools and Families	60,812	(2,627)	(150)	285	(618)	57,702
Communities, Localities and Culture	61,437	(4,355)	(1,075)	2,358	(1,017)	57,348
Development & Renewal	31,359	(1,228)	(165)	74	(30)	30,010
Resources	21,948	(858)	(2,630)	10	(10)	18,460
Chief Executives	8,535	(348)	(303)	55	(464)	7,475
<b>Net Service Costs</b>	283,554	(12,745)	(5,124)	3,995	(3,239)	266,441
<b>Other Net Costs</b>						
Capital Charges	11,055		(1,445)	400		10,010
Levies	2,415					2,415
Pensions	12,151			1,250		13,401
Other Corporate Costs	8,269	(1,125)	(217)	360	2,154	9,441
<b>Total Other Net costs</b>	33,890	(1,125)	(1,662)	2,010	2,154	35,267
<b>Core Grants</b>	(10,391)		(3,647)			(14,038)
<b>Reserves</b>						
General Fund	3,000		(3,000)			-
Earmarked	907				1,188	2,095
General Fund (Smoothing)	-				(1,600)	(1,600)
<b>Inflation</b>	-			4,100		4,100
<b>Total Financing Requirement</b>	310,960	(13,870)	(13,433)	10,105	(1,497)	292,265
<b>Formula Grant</b>	(229,673)			17,838		(211,835)
<b>Council Tax</b>	(81,287)	(725)		1,582		(80,430)
<b>Total Financing</b>	(310,960)	(725)	-	19,420	-	(292,265)

3. That a Council Tax be agreed for Tower Hamlets in 2012/13 of £885.52 at Band D resulting in a Council Tax for all other band taxpayers, before any discounts, and excluding the GLA precept, as set out in the table below:-

BAND	PROPERTY VALUE		RATIO TO BAND D	LBTH COUNCIL TAX FOR EACH BAND
	FROM £	TO £		
A	0	40,000	<sup>6</sup> / <sub>9</sub>	£590.35
B	40,001	52,000	<sup>7</sup> / <sub>9</sub>	£688.74
C	52,001	68,000	<sup>8</sup> / <sub>9</sub>	£787.13
D	68,001	88,000	<sup>9</sup> / <sub>9</sub>	£885.52
E	88,001	120,000	<sup>11</sup> / <sub>9</sub>	£1,082.30
F	120,001	160,000	<sup>13</sup> / <sub>9</sub>	£1,279.08
G	160,001	320,000	<sup>15</sup> / <sub>9</sub>	£1,475.87
H	320,001	and over	<sup>18</sup> / <sub>9</sub>	£1,771.04

4. That for the London Borough of Tower Hamlets in 2012/13:-

- (a) The Council Tax for Band D taxpayers, before any discounts, and including the GLA precept, shall be £1,192.24 as shown below:-

	£
	(Band D, No Discounts)
LBTH	885.52
GLA	306.72
Total	1,192.24



- (b) The Council Tax for taxpayers in all other bands, before any discounts, and including the GLA precept, shall be as detailed in the table below:-

BAND	PROPERTY VALUE		RATIO TO BAND D	LBTH £	GLA £	TOTAL £
	FROM £	TO £				
A	0	40,000	<sup>6</sup> / <sub>9</sub>	590.35	204.48	794.83
B	40,001	52,000	<sup>7</sup> / <sub>9</sub>	688.74	238.56	927.30
C	52,001	68,000	<sup>8</sup> / <sub>9</sub>	787.13	272.64	1,059.77
D	68,001	88,000	<sup>9</sup> / <sub>9</sub>	885.52	306.72	1,192.24
E	88,001	120,000	<sup>11</sup> / <sub>9</sub>	1,082.30	374.88	1,457.18
F	120,001	160,000	<sup>13</sup> / <sub>9</sub>	1,279.08	443.04	1,722.12
G	160,001	320,000	<sup>15</sup> / <sub>9</sub>	1,475.87	511.20	1,987.07
H	320,001	and over	<sup>18</sup> / <sub>9</sub>	1,771.04	613.44	2,384.48

5. That the statutory calculations of this Authority's Council Tax Requirement in 2012/13, as undertaken by the Chief Financial Officer in accordance with the requirements of Sections 31 to 36 of the Local Government Finance Act 1992, be agreed as attached at Appendix 2 to these minutes.
  
6. That the Treasury Management Strategy Statement, the Annual Investment Strategy and the Minimum Revenue Provision Policy Statement be approved as presented to Cabinet on 8<sup>th</sup> February 2012 and contained in the supplementary agenda pack for the Budget Council meeting on 22<sup>nd</sup> February 2012.

7. That the General Fund Capital and Revenue Budgets and Medium Term Financial Plan 2012-2015 as amended by the alternative options agreed by the Mayor in Cabinet on 8<sup>th</sup> February and as further amended at Appendix 1 to these minutes, be approved as summarized in the tables below:-

**Summary Draft Medium Term Financial Plan 2012-15**

	<b>2011-12</b> <b>£'000</b>	<b>2012-13</b> <b>£'000</b>	<b>2013-14</b> <b>£'000</b>	<b>2014-15</b> <b>£'000</b>
<b>Net Service Costs</b>	335,048	320,444	309,426	294,462
<b>Growth Savings</b>	9,787	5,645	4,734	3,745
<b>Approved</b>	(28,870)	(14,595)	(12,102)	0
<b>New</b>	0	(9,786)	(13,681)	(6,427)
<b>Inflation</b>	4,479	4,100	7,100	6,400
<b>Core Grants</b>	(10,391)	(14,038)	(14,070)	(16,070)
<b>Earmarked Reserves</b>	907	2,095	(300)	0
<b>General Fund Reserves</b>	0	(1,600)	8,306	(8,963)
<b>Total Funding Requirement</b>	<u>310,960</u>	<u>292,265</u>	<u>289,413</u>	<u>273,147</u>
<b>Formula Grant</b>	(229,673)	(211,835)	(209,411)	(191,077)
<b>Council Tax</b>	(81,287)	(80,430)	(80,002)	(82,070)
<b>Total Funding</b>	<u>(310,960)</u>	<u>(292,265)</u>	<u>(289,413)</u>	<u>(273,147)</u>

## Detailed analysis of the Medium Term Financial Plan by service area 2012/13 to 2014/15

Service	Base	Savings		Growth	Earmarked	Total	Savings		Growth	Earmarked	Total	Savings		Growth	Earmarked	Total
	2011-12	Approved	New		Reserves	2012-13	Approved	New		Reserves	2013-14	Approved	New		Reserves	2014-15
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Adults Health & Wellbeing	99,463	(3,329)	(801)	1,213	(1,100)	95,446	(2,529)	(2,205)	1,452	(200)	91,964		(900)	1,600	(300)	92,364
Children, Schools and Families	60,812	(2,627)	(150)	285	(618)	57,702	(1,810)	(5)	(180)		55,707		(960)	(100)		54,647
Communities, Localities and Culture	61,437	(4,355)	(1,075)	2,358	(1,017)	57,348	(3,757)	(1,495)	1,232	(860)	52,468	(150)	(200)	1,245	(565)	52,798
Development & Renewal	31,359	(1,228)	(165)	74	(30)	30,010	(2,716)	(2,701)	(20)	(475)	24,098		(1,534)			22,564
Resources	21,948	(858)	(2,630)	10	(10)	18,460	(299)	(907)			17,254		(230)			17,024
Chief Executives	8,535	(348)	(303)	55	(464)	7,475	(187)	(100)			7,188		(100)			7,088
<b>Net Service Costs</b>	<b>283,554</b>	<b>(12,745)</b>	<b>(5,124)</b>	<b>3,995</b>	<b>(3,239)</b>	<b>266,441</b>	<b>(11,298)</b>	<b>(7,413)</b>	<b>2,827</b>	<b>(1,535)</b>	<b>248,603</b>	<b>(150)</b>	<b>(3,924)</b>	<b>2,745</b>	<b>(865)</b>	<b>246,485</b>
<b>Other Net Costs</b>																
Capital Charges	11,055		(1,445)	400		10,010			1,000		11,010			1,000		12,010
Leases	2,415					2,415					2,415					2,415
Pensions	12,151			1,250		13,401			1,250		14,651					14,651
Other Corporate Costs	8,269	(1,125)	(217)	360	2,154	9,441	(125)	(1,434)	(360)		7,522		(2,503)			5,019
<b>Total Other Net costs</b>	<b>33,890</b>	<b>(1,125)</b>	<b>(1,662)</b>	<b>2,010</b>	<b>2,154</b>	<b>35,267</b>	<b>(125)</b>	<b>(1,434)</b>	<b>1,890</b>		<b>35,598</b>		<b>(2,503)</b>	<b>1,000</b>		<b>34,095</b>
<b>Core Grants Reserves</b>	<b>(10,391)</b>		<b>(3,647)</b>			<b>(14,038)</b>		<b>(32)</b>			<b>(14,070)</b>		<b>(2,000)</b>			<b>(16,070)</b>
General Fund	3,000		(3,000)			-					-					-
Earmarked General Fund (Smoothing)	907				1,188	2,095		(3,400)		1,005	(300)				300	-
Inflation	-			4,100	(1,600)	(1,600)				9,203	8,306				(17,269)	(8,904)
<b>Total Financing Requirement</b>	<b>310,960</b>	<b>(13,870)</b>	<b>(13,433)</b>	<b>10,105</b>	<b>(1,497)</b>	<b>292,265</b>	<b>(11,423)</b>	<b>(12,279)</b>	<b>12,177</b>	<b>8,673</b>	<b>289,413</b>	<b>(150)</b>	<b>(8,427)</b>	<b>10,145</b>	<b>(17,834)</b>	<b>273,147</b>
<b>Formula Grant</b>	<b>(229,673)</b>			<b>17,838</b>		<b>(211,835)</b>			<b>2,424</b>		<b>(209,411)</b>			<b>18,334</b>		<b>(191,077)</b>
<b>Council Tax</b>	<b>(81,287)</b>	<b>(725)</b>		<b>1,582</b>		<b>(80,430)</b>	<b>(554)</b>		<b>982</b>		<b>(80,002)</b>			<b>(2,068)</b>		<b>(82,070)</b>
<b>Total Financing</b>	<b>(310,960)</b>	<b>(725)</b>	<b>-</b>	<b>19,420</b>	<b>-</b>	<b>(292,265)</b>	<b>(554)</b>	<b>-</b>	<b>3,406</b>	<b>-</b>	<b>(289,413)</b>	<b>-</b>	<b>-</b>	<b>16,266</b>	<b>-</b>	<b>(273,147)</b>

8. That the Council notes the Mayor has accepted the vast majority of Labour amendments to protect the vulnerable and welcomes these changes.
9. That the Council further notes that residents are often forced to refuse much needed new homes in Car Free developments because they need a car.
10. That the Council resolves to call on the Mayor to implement extended car free developments to one and two bedroom properties.

The meeting ended at 10.30 p.m.

Speaker,  
Council

## APPENDIX 1

**BUDGET AMENDMENTS – 2012/13 BUDGET COUNCIL MEETING**

**Proposals accepted by the Mayor from tabled amendment (i), moved by Councillors Anwar Khan and Carlo Gibbs:**

<b>Savings</b>	<b>Saving in 2012/13</b>
Reduce refreshments at meetings	£2,400
Delete Olympics Ambassador SRA after Olympics	£3,880
Delete funding (earmarked reserves) for feasibility study for afterschool patrols and complete study using existing officer time	£10,000
Reduce discretionary spend on taxis for officers	£15,000
Reduce all spend on taxis for members (leaving £6,000 to fund a lease car for use of the Speaker and Deputy Speaker on official visits)	£9,000
Reduce communications spend by D&R and CLC	£30,000
Reduce funding on award ceremonies and staff conferences by holding them at council facilities	£30,000

<b>Spend</b>	<b>Costs 2012/13</b>
Commission debt support and advice for 150 cases (NB: provider to be sourced through normal procurement process)	(£24,000)
Restore funding to Greenwich & Docklands festival	(£25,000)
Fund a 0.5 FTE Mental health worker for care leavers	(£25,000)
Live streaming of council meetings	(£25,000)
Fund a "Violence Against Women and Girls" worker	(£50,000)
Give a one off staff award of £250 for low paid council staff	(£115,000)
Give a £50 Council Tax rebate to pensioners	(£245,000)

**Proposals accepted by the Mayor from tabled amendment (iii), moved by Councillors Kabir Ahmed and Maium Miah:**

- To allocate £260,000 to support a Mayor's Aim Higher Scheme for 1 year, with a commitment to find funds for it to be an ongoing provision.
- To allocate a one-off sum of £20,000 to support the development of a London Living Rent Accreditation scheme.
- To double the Service Level Agreements for Mudchute Farm and Tower Hamlets Cemetery Park next year, with a commitment to find funds for this to be an ongoing process. [Note: Budgetary effect in 2012/13 = £63k.]

**Use of General Reserves contribution consequent on the above:**  
£762,000 (rounded)

## APPENDIX 2

**LONDON BOROUGH OF TOWER HAMLETS  
COUNCIL FEBRUARY 2012  
BUDGET & COUNCIL TAX STATUTORY CALCULATIONS**

**SETTING THE AMOUNT OF COUNCIL TAX FOR THE  
COUNCIL'S AREA**

1. That the revenue estimates for 2012/2013 be approved.
2. That it be noted that, at its meeting on 11<sup>th</sup> January 2012, Cabinet calculated 90,828 as its Council Tax base for the year 2012/2013 [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")]
3. **That the following amounts be now calculated by the Council for the year 2012/13 in accordance with Section 31 to 36 of the Local Government Finance Act 1992 as amended and the Local Authorities (Alteration of Requisite Calculations) (England) Regulations 2011:**
  - (a) £1,185,721,000 Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of The Act. [Gross Expenditure]
  - (b) £1,105,291,000 Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of The Act. [Gross Income]
  - (c) £80,430,000 Being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council, in accordance with Section 31A(4) of The Act, as its council tax requirement for the year. (Item R in the formula in Section 31B of The Act). [Council Tax Requirement]
  - (d) £885.52 Being the amount at 3(c) above (Item R), all divided by Item T (2 above), calculated by the Council, in accordance with Section 31B(1) of The Act, as the basic amount of its Council Tax for the year. [Council Tax]

(e)	<b>VALUATION BAND</b>	<b>LBTH £</b>
	A	590.35
	B	688.74
	C	787.13
	D	885.52
	E	1,082.30
	F	1,279.08
	G	1,475.87
	H	1,771.04

Being the amount given by multiplying the amount at 3(d) above by the number which, in the proportion set out in Section 5(1) of The Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of The Act, as the amount to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

4. That it be noted that for the year 2012/13 the Greater London Authority has stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings shown below:-

<b>VALUATION BAND</b>	<b>GLA £</b>
A	204.48
B	238.56
C	272.64
D	306.72
E	374.88
F	443.04
G	511.20
H	613.44

5. That, having calculated the aggregate in each case of the amounts at 3(d) and 4 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2012/13 for each of the categories of dwellings shown below:-

<b>VALUATION BAND</b>	<b>TOTAL COUNCIL TAX £</b>
A	794.83
B	927.30
C	1,059.77
D	1,192.24
E	1,457.18
F	1,722.12
G	1,987.07
H	2,384.48

6. New government regulation now requires a local authority to conduct a referendum where if compared with the previous year, they set council tax increases that are “excessive”. Under current legislation and in accordance with principles approved under Section 52ZB Local Government Finance Act 1992, the Council tax set by the London Borough of Tower Hamlets for 2012/13 is not deemed to be excessive.



**ANNEX A****AMENDMENT TO AGENDA ITEM 5.1: BUDGET AND COUNCIL TAX 2012/13****Amendment proposed by: Councillor Anwar Khan****Amendment seconded by: Councillor Carlo Gibbs****This council notes:**

- UK economic growth since the coalition came to power nearly 2 years ago has been just 1.1%, compared with 1.2% in the second quarter of 2010 at the end of the Labour Government
- The UK jobless rate stands at 2.69million or 8.5%, its worst level since 1995 and an increase of over 200,000 since the coalition came to power. The increase in unemployment has hit women and young people particularly hard with youth unemployment now standing at over 1 million
- The Conservative/Liberal Democrat Government's ideologically driven cuts, including a reduction in our formula grant by 16.8%, have damaged the UK's economic growth, increased unemployment and hit the most vulnerable in society
- The Government's planned changes to housing benefits, council tax benefit, legal aid and other proposals will have a particularly heavy impact on Tower Hamlets residents
- That it is the council's responsibility to show leadership in the face of these damaging changes in order to best protect and support our residents
- That Mayor Rahman's budget fails to reduce wasteful spending, cuts frontline services, fails to protect the vulnerable and will leave the streets of Tower Hamlets dirtier than when he was elected.

**This council believes that:****Supporting the vulnerable**

- Reductions in funding in last year's budget for the in-house Homecare team aimed at running down the in-house team by 2015 risk significantly reducing the quality of care received by the most vulnerable people in our community
- Mayor Rahman should use the next year to identify funding to keep a high quality in-house Homecare team to serve the needs of the most vulnerable service users beyond 2015
- Housing Benefit changes being implemented by the Conservative/Liberal Democrat government will result in many residents falling into debt
- As Corporate Parents the Council has a responsibility to prioritise the needs of our children in care
- Tower Hamlets has one of the highest levels of domestic violence in the country and incidents of rape are on the rise across London, and that more needs to be done to support vulnerable women and girls
- Pensioners in the borough face rising food and fuel costs and high inflation, increasing their cost of living and reducing their quality of life

**Housing**

- Many residents in the privately rented sector live in poor quality housing as a result of rogue landlords
- The Mayor's Decent Homes programme does not significantly address poor insulation and fuel poverty and completing work without improving the thermal efficiency of properties could result in many experiencing worse cold, damp and condensation problems

- Residents are often forced to refuse much needed new homes in Car Free developments because they need a car

### Employment

- Many young people in Tower Hamlets cannot afford to undertake internships that could improve their employability
- The lowest paid Council staff should benefit from the same one-off £250 payment that national government workers were awarded

### Environment

- Cuts to frontline cleanliness services – including reductions in street sweeping last year, and charging for bulk waste and pest control – will result in a dirtier borough and an increase in vermin
- The Mayor has proposed to fund a reduction in charges for car parking permits in properties with multiple cars, whilst many residents are denied a parking permit for even one car when they are offered a property in a Car Free development

### Transparency and value for money

- The Town Hall is inaccessible to many residents and in order to increase transparency the council should live stream council meetings
- The use of taxis by members and officers and refreshment at meetings should be curtailed to more acceptable levels

### This council resolves to implement the following amendments:

Savings	Saving in 2012/13
Reduce refreshments at meetings	£2,400
Delete Olympics Ambassador SRA after Olympics	£3,880
Delete funding for feasibility study for afterschool patrols and complete study using existing officer time	£10,000
Delete avenue of trees proposal	£10,000
Delete signposting to HMRC and replace with information in Business Rates mailer	£10,000
Reduce discretionary spend on taxis for officers	£15,000
Reduce all spend on taxis for members (leaving £6,000 to fund a lease car for use of the Speaker and Deputy Speaker on official visits)	£9,000
Reduce communications spend by D&R and CLC	£30,000
Reduce funding on award ceremonies and staff conferences by holding them at council facilities	£30,000
Delete energy co-op feasibility and complete study using existing officer time	£30,000
Delete additional Liberal Democrat spend on advertising in East End Life	£30,000
Use of reserves contribution	£328,720
<b>Total</b>	<b>£509,000</b>

Spend	Costs 2012/13
Register of Housing Landlords – self-funding paid for by an admin fee, to be made compulsory for all landlords wishing to receive Local Housing Allowance payments	£0
Ring-fence £1m of New Homes Bonus out of the £10million allocated to Decent Homes for insulation to reduce condensation, damp and fuel poverty	£0
Ring fence any increase in New Homes Bonus income above projected levels (up to £1m) to Decent Homes reserve	£0
Commission debt support and advice for 150 case through Capitalise service	(£24,000)
Restore funding to Greenwich & Docklands festival	(£25,000)
Fund a 0.5 FTE Mental health worker for care leavers	(£25,000)
Live streaming of council meetings	(£25,000)
Fund a “Violence Against Women and Girls” worker	(£50,000)
Ring fence £56k from future S106 monies to support 20 residents to undertake unpaid internships, paying the living wage for up to 3 months	£0
Give a one off staff award of £250 for low paid council staff	(£115,000)
Give a £50 Council Tax rebate to pensioners	(£245,000)
<b>Total</b>	<b>(£509,000)</b>

**This council further resolves:**

- To call on the Mayor to implement the following amendments to the budget

Changes to parking permits	
Increase cost of second permit to £30	£90,360
Keep £150 additional cost of 3rd permit	£40,800
Extend Car Free Devevelopment permits to 1 and 2 bedroom properties	£8,000
<b>Total</b>	<b>£139,160</b>

Changes to CLC budget	
Keep first bulk waste collection free	(£115,000)
Not charging for rat control	£0
Reduce rates charged to business for external furniture and signage	(£24,160)
<b>Total</b>	<b>(£139,160)</b>

**ANNEX B****AMENDMENT TO AGENDA ITEM 5.1: BUDGET AND COUNCIL TAX 2012/13**

Amendment proposed by: Cllr David Snowdon

Amendment seconded by: Cllr Zara Davis

**This Council Believes That:**

1. Local residents are opposed to the commercialisation of our parks and open spaces, and would welcome the elimination of all targets to raise income from them.
2. Bulk waste disposable charges are a stealth tax to which residents are opposed.
3. Bulk waste disposable charges would lead to an increase in fly tipping, which would go against Council policy to make Tower Hamlets a Cleaner, Greener Borough.
4. Library's are an important element of Lifelong Learning, and making draconian cuts to the book fund will result in residents of the Borough receiving poorer library provision.
5. In order to protect front line services and save our open spaces from commercialisation, savings are necessary in a still bloated Town Hall budget.
6. Councillors should lead by example, and take a cut in their allowances to save Tower Hamlets library services and save our parks from commercialisation.
7. Contracting an outside company to water pot plants in Tower Hamlets building is an outrageous waste of public money.
8. Council Officers should follow Eric Pickles' lead an "Adopt A Pot Plant"

**This Council calls upon the Executive to make reductions in income as follows:**

Description	2012/13 Baseline	2013/14	Notes
Events In Parks	£200,000	£290,000 ( 2012/13 +£90,000)	Remove all provision for revenue from events in parks. Should the Mayor press ahead with holding events in parks despite it being the clear will of Full Council that parks should not be used in this way, all income generated under this budget line shall be used to employ permanent ground staff to repair the damage to our parks.
Bulk Waste Disposal Targets	£150,000	£150,000 ( 2012/13 +£0)	Remove all provision for bulk waste disposal charges. Should the Mayor press ahead with charging for bulk waste removal charges despite it being the clear will of Full Council they should not be implemented, this income stream will be allocated to rebates equivalent to charges for households affected.
<b>Spending Per Year</b>	<b>£350,000</b>	<b>£440,000</b>	
<b>Cumulative Spend</b>	<b>£350,000</b>	<b>£790,000</b>	

**This Council Will:**

1. Reverse the Executive's proposed decrease in spending (library book fund)

Library Book Fund	0	£200,000 ( 2012/13 +£200,000)	Reverse cuts to the Library Books fund.
<b>Spending Per Year</b>	<b>£0</b>	<b>£200,000</b>	
<b>Cumulative Spend</b>	<b>£0</b>	<b>£200,000</b>	

2. Implement the following cuts to council spending

Description	Savings in 2012/13	Savings in 2013/14	Notes
Staffing Budget	£30,000	£120,000 ( 2012/13 +£90,000)	Make savings in staffing budget (topslimed).  The Council requests the Executive investigate reductions in senior staff salaries before generating savings from lower grade salaries.
Advertising	£92,500	£92,500 ( 2012/13 +£0)	Assume £850,000 outturn in 2011/12. Cut statutory advertising by 5% through better advert design Cut best practice advertising by 10% Cut non statutory advertising by 20% All TV Advertising to be stopped
Subscriptions	£7,000	£82,150 ( 2012/13 +£75,150)	Give notice on: LGIU subscription costs £11,350 Randalls Parliamentary Service – c. £10,000 (due August 2012) LGA - £55,000 Plain English campaign - £3,300 Association for Public Service Excellence - £2,500
Mayor's Executive Office	£26,600	£26,600 (2012/13 +£0)	Reduce spend on consultants / contractors/Comensura temporary staff by 20%
Pot plants	£22,416	£22,416 (2012/13 +£0)	Reduction in FM budget equivalent to pot plant spend. End contract in 2013. Investigate how much it would cost to bring this contract to a speedy and early end.
Dexter House	£15,271	£15,271 (2012/13 +£0)	Stop booking Dexter House for internal events – use Council facilities instead
Tower Hamlets Now 'e-zine)	£15,000	£15,000 (2012/13 +£0)	Cut all costs associated with e-zine (including 25% of PO3 officer). Use cascading e-mail communication system instead

Conferences	£4,000	£4,000 (2012/13 +£0)	Estimated cost in 2011/20 is £20,000 Reduce spending by 20%
Newspapers, Journals, Periodicals	£5,000	£5,000 (2012/13 +£0)	Reduce spending on subscriptions by 5%
Sponsorship	£2,500	£7,500 (2012/13 +£5,000)	Generate commercial sponsorship for events run by Tower Hamlets Council (eg. Fireworks, sporting events, cultural events)
Olympics Related Advertising	£30,000	£0	Cancel spend agreed at February cabinet to provide 6 double pages of adverts in EEL during Olympics
Councillors Allowances	£51,331	£51,331 (2012/13 +£0)	Cut all Councillor Basic Allowances by 10% in 2012/13 and maintain them at this level in 2013/14
Rationalise Committee Structure	£16,593	£16,593 (2012/13 +£0)	Delete Olympics Ambassador SRA. Merge Pensions, Audit and General Purposes Committees (with SRA for new Finance and General Purposes Committee set at £7,557)
Cut SRAs by 10%	£31,662	£31,662 (2012/13 +£0)	Cut all remaining SRAs by 10% in 2012/13 and maintain them at this level in 2013/14
Reduce Bounties Paid to Estate Agents by 15%	£75,052	£75,052	Reduce discretionary bounties paid to estate agents for finding properties by 15%.
<b>Savings Per Year</b>	<b>£424,925</b>	<b>£565,075</b>	
<b>Cumulative</b>	<b>£424,925</b>	<b>£990,000</b>	

**ANNEX C****AMENDMENT TO AGENDA ITEM 5.1: BUDGET & COUNCIL TAX 2012/13****Amendment proposed by: Cllr Kabir Ahmed****Amendment seconded by: Cllr Maium Miah**

This Council notes the progressive budget proposals from Mayor Rahman and his administration, which will see:

1. No closures of Leisure Centres, Children's Centres, Youth Services, Libraries or Ideas Stores
2. Protection for the elderly and vulnerable, including free homecare
3. The protection of frontline and low paid staff
4. 17 additional police officers
5. The Mayor's Education Award to replace the scrapped EMA scheme

This Council notes the following economic challenges and central government failings:

1. The unprecedented funding cuts from the Conservative led Coalition Government, which for 2012/2013 will see a funding reduction of 27% and a funding gap from 2011/2012 to 2014/2015 of £100m.
2. The current record high levels of youth unemployment: According to national figures released earlier this year, one in five young people are not in employment, education or training and a quarter of a million have been unemployed for over a year.
3. The complete cut in Aim Higher Funding. The Labour Government's Aim Higher programme's £136m budget was scrapped in July 2011. This programme helped young people from low income families and from families in which no one had attended higher education, to access university places.
4. The massive changes to welfare benefit, including to housing benefit, which will make living in the borough unaffordable for many families who have lived here for generations, and will make our aspiration to create a Tower Hamlets for everyone, much harder to achieve.

This Council notes the following excellent progress made in education and the support the Mayor and administration have provided locally for education:

1. Our excellent education results: This year we were the second most improved borough nationally, with 61.4% of students in the borough achieving at least five A\* to C grades including English and Maths, the highest ever figure for Tower Hamlets.
2. The ongoing support for our young people and their educational progress, including the Mayor's Education Award, 1:1 tuition at GCSE and A-Level and support for early GCSEs.

This Council Notes the following concerning the borough's environment and green spaces:

1. That as one of the Olympic host boroughs we have benefited from investment into the borough's green spaces, including the refurbishment of Altab Ali Park and Victoria Park, and the renovation of Mile End Stadium.
2. The borough has one of the highest population densities in London, one of the highest levels of high-rise housing and high levels of overcrowding.

This Council Notes the following resource implications:

1. The Council currently has a healthy level of reserves, expected to be £144m in March this year.
2. The emerging risks and opportunities, as identified by the Director of Resources and laid out on appendix 6.1.

This Council Believes:

1. That these risks and opportunities must be balanced responsibly with the needs of Tower Hamlets residents and the opportunity to invest in the borough's future.

This Council Resolves:

1. Due to the timing of these proposals it is suggested that expenditure be increased in the following areas, with funding allocated for the year 12/13 from reserves, with a commitment to mainstreaming funds for these proposals, where appropriate, in light of next year's grant settlement from Central Government.

#### **In relation to employment and raising aspiration**

Allocate £260k to support a Mayor's Aim Higher Scheme for 1 year, with a commitment to find funds for it to be an ongoing provision.

- This will provide a budget to fund new council employees tasked to work with, and in, schools, as well as funding for advice, training programmes, away days, workshops and masterclasses.
- The aim of the service will be to raise the higher education and career aspirations of young people in Tower Hamlets. As well as help young people from low income families, and from families in which no one has attended higher education, to access places at higher education and the bursaries available.

#### **In relation to unaffordable living costs**

Allocate a one-off sum of £20,000 to support the development of a London Living Rent Accreditation scheme.

- This will further investigate the proposals made by Shelter on creating a scheme that links rent to earnings. This would keep Tower Hamlets at the forefront of the provision of affordable housing and see our



borough as a leader in this area, as we were with the London Living Wage.

**In relation to the borough's green spaces**

Double the Service Level Agreements for Mudchute Farm and Tower Hamlets Cemetery Park next year, with a commitment to find funds for this to be an ongoing increase.

- This will support the excellent work of two community organisations.
- This will help ensure the ongoing provision of high standard green amenity space for the people of the borough.
- In Mudchute Farm the use of these additional funds will support their delivery of services for young people, to ensure more young people access open spaces, outdoor play and volunteering.
- In Tower Hamlets Cemetery Park the use of these additional funds will support their biodiversity training, volunteering programmes and their after school club, as well as help maintain the site to a high standard for the use and enjoyment by residents.

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**LONDON BOROUGH OF TOWER HAMLETS**

**COUNCIL MEETING**

**WEDNESDAY 16<sup>th</sup> MAY 2012**

**PETITIONS**

**REPORT OF THE SERVICE HEAD,  
DEMOCRATIC SERVICES**

## **SUMMARY**

1. The Council's constitution as amended provides that a maximum of three petitions are received at any meeting. These are taken in order of receipt. This report sets out the valid petitions submitted for presentation at the Council meeting on Wednesday 16<sup>th</sup> May 2012.
2. The deadline for receipt of petitions for this meeting is noon on Thursday 10<sup>th</sup> January. However, at the time of agenda despatch three petitions had been received as set out overleaf which is the maximum number to be heard.
3. In each case the petitioners may address the meeting for no more than three minutes. Members may then question the petitioners for a further four minutes. Finally, the relevant Cabinet Member or Chair of Committee may respond to the petition for up to three minutes.
4. Any outstanding issues will be referred to the relevant Corporate Director for attention who will respond to those outstanding issues in writing within 28 days.
5. Members should confine their contributions to questions and answers and not make statements or attempt to debate.

### **5.1 Petition from Tower Hamlets Federation of TRAs regarding a Residents Charter:**

“Our draft Residents Charter has evolved from the Summer Conference 2011 and will be open for consultation and comment by Tower Hamlets TRAs and resident groups until the end of March 2012.

We urge all Councillors to support the principles of the Residents Charter and to do everything in their power to persuade Registered Providers to adhere to it.”

### **5.2 Petition from Messrs Glyn Robbins, Guy Shennan and others regarding Veolia:**

“We the undersigned registered electors of Tower Hamlets wish to petition the council on the issue of Veolia. The council has passed a motion declaring Veolia to be guilty of grave misconduct in relation to its involvement in the illegal Israeli settlements in the Palestinian West Bank and for the council to sever all relations with Veolia. We are dismayed therefore that the council has in fact extended a recycling contract with Veolia. We want the Mayor to accept that this was quite wrong and now to do everything in his power to put it right. We believe he, relevant Cabinet members and officers should agree to meet with representatives of the Boycott, Divestment and Sanctions campaign urgently who can demonstrate this is not a fit and proper company for the council to do business with. We also believe he should instruct legal officers to investigate urgently terminating all of the Veolia contracts. Finally we want the Mayor to make a public statement that Veolia have misled the council, that Veolia is not a company this council wishes to do business with and that all contracts with Veolia will be terminated as a matter of urgency and in 2017 at the very latest. We believe if the Mayor were to do all these things, it would go a very long way to make amends for his administration having seemingly ignored the express decision of the council and the wishes of the overwhelming majority of Tower Hamlets residents that the council should express its active support for the Palestinian people.”

### **5.3 Petition from residents of Hainton Close regarding activities of a disruptive nature at Mulberry School for Girls:**

“We, the residents of Hainton Close E1, petition against the use of Mulberry School for Girls on weekdays after 8.00pm and weekends, for activities that cause an unreasonable level of noise, pose health & safety risk and disrupt to the quiet enjoyment of neighbouring property.

We agree that the adult football games which currently take place should not be permitted due to the detriment caused to residents and do not agree that the premises should be hired out for any activity at the expense of the enjoyment of the private properties of all of the residents of Hainton Close.

We petition that all offending activities of the aforementioned nature cease with immediate effect.”

**LONDON BOROUGH OF TOWER HAMLETS**

**COUNCIL MEETING**

**WEDNESDAY 16<sup>th</sup> MAY 2012**

**QUESTIONS SUBMITTED BY  
MEMBERS OF THE PUBLIC**

**REPORT OF THE SERVICE HEAD,  
DEMOCRATIC SERVICES**

## **SUMMARY**

1. Set out overleaf are the questions submitted by members of the public, for response by the Mayor or appropriate Cabinet Member or committee chair at the Council Meeting on 16<sup>th</sup> May 2012.
2. The Council's Constitution sets a maximum time limit of twenty minutes for this item.
3. A questioner who has put a question in person may also put one brief supplementary question without notice to the Member who has replied to his or her original question. A supplementary question must arise directly out of the original question or the reply. Supplementary questions and Members' responses to written and supplementary questions are each limited to two minutes.
4. Any question which cannot be dealt with during the twenty minutes allocated for public questions, either because of lack of time or because of non-attendance of the questioner or the Member to whom it was put, will be dealt with by way of a written answer.
5. Unless the Speaker of Council decides otherwise, no discussion will take place on any question, but any Member of the Council may move, without discussion, that the matter raised by a question be referred for consideration by the Cabinet or the appropriate Committee or Sub-Committee.

## **QUESTIONS**

Three questions have been submitted as set out below:-

### **6.1 Question from Mr Brian Nicholson, Secretary, London Dockers Athletic & Social Club:**

At the last Council meeting Tower Hamlets was described as a grotty borough. Can the Mayor tell us what he is doing about street cleansing and public realm improvements across the borough?

### **6.2 Question from Paplu Kaledur:**

Can the Mayor update this meeting how many young people from Tower Hamlets have received the Education Maintenance Awards since its inception, and does he believe the Government is supporting young people with its current policy on EMA?'

### **6.3 Question from Mr Aminur Rahman:**

How will the Mayor ensure that residents' rights will be protected with the intended merger of Island Homes and One Housing?

**LONDON BOROUGH OF TOWER HAMLETS**

**COUNCIL MEETING**

**WEDNESDAY 16<sup>th</sup> MAY 2012**

**QUESTIONS SUBMITTED BY  
MEMBERS OF THE COUNCIL**

**REPORT OF THE SERVICE HEAD,  
DEMOCRATIC SERVICES**

## **SUMMARY**

1. Set out overleaf are the questions submitted by Members of the Council for response by Members of the Executive at the Council meeting on Wednesday 16<sup>th</sup> May 2012.
2. Questions are limited to one per Member per meeting, plus one supplementary question unless the Member has indicated that only a written reply is required and in these circumstances a supplementary question is not permitted.
3. Oral responses are time limited to one minute. Supplementary questions and responses are also time limited to one minute each.
4. There is a time limit of thirty minutes for consideration of Members' questions with no extension of time allowed and any question not answered within this time will be dealt with by way of a written response. The Speaker will decide the time allocated to each question.
5. Members must confine their contributions to questions and answers and not make statements or attempt to debate.

## **MEMBERS' QUESTIONS**

22 questions have been received from Members of the Council as follows:-

### **8.1 Question from Councillor Carli Harper-Penman:**

Following the recent announcement by the Ministry of Defence that a high velocity missile system is to be located within the Bow Quarter, can the Mayor update Council about the discussions that have taken place with the MoD and the steps that he will be taking to ensure that residents of Tower Hamlets are not endangered or unduly inconvenienced by the presence of such a system?

### **8.2 Question from Councillor David Snowdon:**

Will the Mayor urge Social Landlords in the London Borough of Tower Hamlets to publish all their spending over £500, in line with Viridian and Home Group's example?

### **8.3 Question from Councillor Shiria Khatun:**

Can the Mayor explain what he has done regarding his proposed charges for bulk rubbish collection & rat control?

### **8.4 Question from Councillor Fozol Miah:**

Would the Mayor join with me in congratulating the former MP for Bethnal Green and Bow, George Galloway, on his landslide victory in the Bradford West by-election and would he agree with me that this extraordinary election result, gained in one of the shortest by-election campaigns ever as a result of the choice of the Labour Party, shows enormous dissatisfaction with the old established parties and a desire for change, a desire expressed in Tower Hamlets in the election of an independent mayor for Tower Hamlets and the election of Respect and an independent councillor in successive by-elections in the Spitalfields and Banglatown ward?

### **8.5 Question from Councillor Bill Turner:**

Will the Mayor outline the numbers of children on roll at the new free schools in the borough who are eligible for free school meals? Do any other organisations with which the Council has an existing relationship in other ways propose to open free schools in the borough, and if so what discussions has the Council had with such organisations. Does he support or oppose any such plans which they may have and does he share the view of the Labour Group that the universal provision of excellent comprehensive education is the best way of ensuring that our children get the education they need?



**8.6 Question from Councillor Peter Golds:**

Will the Mayor inform the council when he decided to install speed humps on Jesus Green, E2, and what consultation took place for this particular proposal?

**8.7 Question from Councillor Ann Jackson:**

Can the Mayor detail how the Council is supporting residents who are affected by the Government's reduction in rent and council tax benefit?

**8.8 Question from Councillor Harun Miah**

Would the Mayor agree with me that drug use and dependency constitutes a major threat to the well-being of our young people in Tower Hamlets and would he also agree that there has to be a multi-faceted approach if we are to get on top of this problem, including education, job opportunities for young people as well as the appropriate use of the criminal law and would he outline recent initiatives on this matter?

**8.9 Question from Councillor Rachael Saunders:**

On what basis did the Mayor make his decision to close the in house domiciliary homecare service?

**8.10 Question from Councillor Craig Aston:**

Will the Mayor provide an update on the status of the Limehouse Library building and site?

**8.11 Question from Councillor Motin Uz-Zaman:**

Can the Mayor inform the Council, if he or a member of his family (including brother) has been involved in collecting Postal Ballots from residents in Spitalfields Ward?

**8.12 Question from Councillor Kabir Ahmed**

Following the judgement by the Local Government Standards in England Tribunal to uphold this Council's Standard Committee decision to suspend the last Leader of the Council; does the Mayor agree with me that the Leader of the Labour Group has done nothing about this? And does he also agree with me that Cllr. Abbas should apologise to restore public faith, and to ensure there is not any abuse of power, bringing the office and the council into disrepute by breaching staff member protocol?

### **8.13 Question from Councillor Lesley Pavitt**

I would like to ask the Mayor whether in view of the fact that we have a young persons' mayor he has considered having an older persons' mayor as well?

### **8.14 Question from Councillor Tim Archer:**

Will the Mayor give details to the Council on the sale of Poplar Town Hall situated on Poplar High Street?

### **8.15 Question from Councillor Dr Stephanie Eaton:**

What specific type of surface to air missiles does the Ministry of Defence propose to install on the Lexington building in Bow? If these are to be Starstreak II missiles with three projectiles to increase the probability of impact with an unauthorised aircraft, what is the impact on people and property on the ground of the projectiles that do not impact on the target? What powers if any does the Council have to oppose or veto the installation of these missiles?

### **8.16 Question from Councillor Zara Davis:**

How much has the Council spent on purchasing Olympic tickets?

### **8.17 Question from Councillor Lutfa Begum**

Housing shortages and overcrowding remains one of the most pressing needs for local residents, can the Mayor update this meeting how many houses he has built? And will any Tower Hamlets residents suffer the fate that some Newham residents have due to the government's welfare reform changes by moving 100 miles from the borough?

### **8.18 Question from Councillor Gloria Thienel:**

Are there any proposals by the council to rent out our Council Charity Collection bins to private companies for profit?

### **8.19 Question from Councillor Gulam Robbani**

How will the Mayor ensure that any disruption to local people is minimised by using Victoria Park as a live site during the 2012 Games?

**8.20 Question from Councillor Dr Emma Jones:**

How many residents have contacted the Council this year about the amount of time taken for land searches to be processed when buying or selling property?

**8.21 Question from Councillor Maium Miah**

With less than 100 days to the greatest show on earth, can the mayor update us how the council is preparing for the Olympic Games, and how Tower Hamlets residents will benefit from the Games?

**8.22 Question from Councillor Aminur Khan**

ASB and fear of crime remains one of the main concerns for local people, can the Mayor update us on the work of the THEOs?

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**LONDON BOROUGH OF TOWER HAMLETS**

**COUNCIL MEETING**

**WEDNESDAY 16<sup>th</sup> MAY, 2012**

**LOCAL DEVELOPMENT FRAMEWORK (LDF):  
MANAGING DEVELOPMENT – DEVELOPMENT PLAN DOCUMENT AND  
FISH ISLAND AREA ACTION PLAN  
SUBMISSION TO THE SECRETARY OF STATE FOR INDEPENDENT  
EXAMINATION**

**REPORT OF THE CORPORATE DIRECTOR,  
DEVELOPMENT AND RENEWAL**

1. **SUMMARY**

- 1.1 Following the adoption of the Council's Local Development Framework (LDF) Core Strategy by Full Council in September 2010, the Council is now finalising work on the other Development Plan Documents (DPDs) which will form part of the LDF. These are the,
- § Managing Development – Development Plan Document (DPD); and
  - § Fish Island – Area Action Plan (AAP).
- 1.2 Following approval of the proposed submission version documents by Cabinet in December 2011, the Council undertook a statutory 6-week 'Call for Representations' period which concluded on 9 March 2012. The Managing Development DPD and Fish Island AAP have been progressed, taking on board the comments received during this period.
- 1.3 It is now necessary to submit the DPDs to the Secretary of State for Independent Examination, which is planned for autumn 2012.

## 2. **DECISIONS REQUIRED**

Council is recommended to:-

- 2.1 Approve the Managing Development DPD and Fish Island AAP attached at Appendix 1 and Appendix 2 of the report, incorporating the minor amendments detailed at Appendix 3 and Appendix 4 of the report, for submission to the Secretary of State in accordance with regulation 22 of the Town and Country Planning (Local Planning) (England) Regulations 2012, and the Council's Statement of Community Involvement.
- 2.2 Approve the submission of the documents which support the Managing Development DPD and Fish Island AAP (Appendix 5 to 9) and have been developed in accordance with regulation 22 of the Town and Country Planning Act (Local Planning) (England) Regulations 2012. These are:
  - (a) the Sustainability Appraisal reports;
  - (b) the proposals map;
  - (c) the Statements of Engagement;
  - (d) copies of representations made and the Council's response
  - (e) the Equalities Assessments; and
  - (g) the evidence base.
- 2.3 Authorise the Corporate Director of Development and Renewal, after consultation with the Mayor and Lead Member for Housing, to make any appropriate and necessary minor amendments to the Managing Development DPD and Fish Island AAP and their supporting evidence base prior to submission to the Secretary of State.

## 3. **REASONS FOR THE DECISIONS**

- 3.1 For the local authority to adopt the policies included in the Managing Development DPD and Fish Island AAP it is required, in accordance with relevant planning legislation, to undertake an independent Examination in Public for the purposes of finding the documents sound.
- 3.2 The Managing Development DPD and Fish Island AAP are necessary to provide further detail to deliver the spatial vision set out in the 2010 Adopted Core Strategy and the Community Plan vision to ensure:
  - § New development meets the needs of the borough and is designed to the highest standards.
  - § Sites are identified to deliver strategic housing development and important infrastructure to support an increasing population.
  - § That the release of industrial land in Fish Island is carefully managed to maximise its regeneration potential within the wider context of the Olympic Legacy.
- 3.3 The progression of the Managing Development DPD and Fish Island AAP will provide the Council with updated and detailed policies and guidance used to determine planning applications and manage development.

Guidance has been developed, taking account and being generally consistent with the recently published National Planning Policy Framework (March 2012) and the new London Plan (July 2011). The documents will replace the 'saved and retained' development control policies in the 1998 Adopted Unitary Development Plan and 2007 'Interim Planning Guidance'.

#### **4. ALTERNATIVE OPTIONS**

- 4.1 An alternative option would be to rely on the adopted Core Strategy, the 2011 London Plan and the Council's existing planning guidance contained within the 1998 Unitary Development Plan and the 2007 'Interim Planning Guidance'.
- 4.2 This would mean that the Borough would not be able to respond to the challenges of recent changes in national and London planning policy, as well as emerging development pressures, to address specific issues affecting Tower Hamlets. For example, without a more detailed policy on affordable housing, there is a risk that the new 'affordable rent' product will result in new homes that are not affordable for the Borough's residents.
- 4.3 It would also mean that the Council would not have sites identified to provide the necessary infrastructure to support an increasing population.
- 4.4 Without more detailed planning guidance for Fish Island, there is a risk that development will not come forward in a coordinated manner, making it difficult to deliver the social and physical infrastructure necessary to support the anticipated number of new homes and jobs.
- 4.5 It would also mean that Tower Hamlets would not have a detailed planning document for Fish Island prior to the London Legacy Development Corporation (LLDC) taking over planning powers from the Council on 1 October 2012, although the timetable for Examination may mean the Council is not able to be formally adopt the Fish Island AAP prior to this date.

#### **5. BACKGROUND**

- 5.1 Following the adoption of the Council's Local Development Framework (LDF) Core Strategy by Full Council in September 2010, the Council has been progressing work on two development plan documents (DPDs):
  - § Managing Development – Development Plan Document (DPD); and
  - § Fish Island – Area Action Plan (AAP).
- 5.2 The LDF Core Strategy provides an overall spatial vision for the development of Tower Hamlets over the next 15 years and in order for this vision to be delivered, it is necessary to adopt more detailed guidance coming forward in the DPDs.

5.3 The Managing Development DPD and Fish Island AAP will sit under the Core Strategy as part of the borough's LDF and have the same status in terms of the determination of planning applications. A summary of the key aims and objectives of the two DPDs is provided below:

5.4 Managing Development (DPD):

- § Identifies sites for important services – primary and secondary schools, IDEA Stores, Leisure Centres, waste management facilities and open space – and sites capable of accommodating 500+ new homes;
- § Defines boundaries for planning policy areas including town centres and employment areas; and
- § Includes detailed development management policies against which planning applications will be assessed.

5.5 The Fish Island Area Action Plan (AAP):

- § Provides detailed planning guidance for the regeneration of Fish Island, managing the release of industrial land for other uses such as housing and modern employment opportunities;
- § Identifies the potential for between 2300 and 2700 new homes including a substantial provision of affordable and family housing;
- § Sets out priorities for new connections across the A12 and into the Olympic Park, improvements to Hackney Wick Station and introduction of new bus routes;
- § Promotes a new neighbourhood centre with local shops and services at Hackney Wick; and
- § Identifies sites for key infrastructure requirements

**6. BODY OF REPORT**

6.1 Development Plan Documents are prepared in accordance with the Planning and Compulsory Purchase Act 2004 and the Town and Country Planning (Local Planning) (England) Regulations 2012.

6.2 This requires the DPDs to be subject to public consultation, a Call for Representations period and an independent Examination in Public (EiP) as set out in the Town and Country Planning (Local Planning) (England) Regulations (18 to 26) 2012.

6.3 Pursuant to legislative requirements, the Council has undertaken a Sustainability Appraisal Habitat Regulations Assessment and Equalities Assessment for the DPDs. These are included as part of the Evidence Base (Appendix 9).

6.4 The detailed timetable for the preparation of the DPDs is set out in the Council's latest Local Development Scheme, approved by Cabinet in December 2010. The process to date is illustrated below and described in the following sub-section.



### DPD process

- 6.5 Work commenced on the DPDs shortly after the adoption of LDF Core Strategy in September 2010.
- 6.6 The development of the DPDs has been carried out during a time of extensive planning reform:
- § Facilitating ‘development management’ – under the previous Labour Government the process of development management was sought to be implemented as a positive approach for shaping, considering, determining and delivering development. This has been embedded within the Coalition Government policy and is reflected in the DPDs.
  - § National Planning Policy Framework (NPPF) – the NPPF was published in March 2012 and replaced all previous national Planning Policy Statements and Guidance documents. Officers are confident that the content and the preparation of the DPDs are consistent with new national policy having drafted the documents in light of the draft NPPF.
  - § National legislation changes – the Localism Act gained Royal Assent in November 2011. This has subsequently been accompanied by new ‘Local Planning’ Regulations and ‘Neighbourhood Planning’ Regulations that seek to simplify the development process of DPDs in line with the NPPF and make provision for the development of Neighbourhood Plans and associated elements. Officers have monitored the legislative changes to ensure the DPDs accord with all relevant legislation.
  - § London Plan – the London Plan was reviewed and published in July 2011 to reflect national guidance and help reflect London Mayoral policy. The Council has worked closely with the Greater London Authority to ensure Tower Hamlets’ aspirations are reflected in the document.

### Consultation

Informal consultation:

- 6.7 An extensive consultation and engagement process was undertaken in accordance with the Council’s Statement of Community Involvement (SCI) and national legislation.
- 6.8 Residents were invited early on in the process, to have their say about how they wanted to be consulted for the emerging DPDs. This was carried out in December 2010 and discussions subsequently informed the approach taken for the first round of consultation – the Council identified this as the Engagement period.

#### Engagement stage:

- 6.9 The Engagement period took place from May to June 2011 with 26 place-based events taking place around the borough. The events were carried out in a structured discussion and workshop format. At this stage three Engagement DPDs were prepared - the Development Management DPD, the Sites and Placemaking DPD and the Fish Island Area Action Plan. In response to the earlier discussions with the public (Dec 2010), the documents were drafted in a way that they set out planning principles and 'direction of travel', and not necessarily providing the finer detail, therefore providing more accessible documents, which the public felt had more room for comments and suggestions. The outputs from the workshop were taken on board to inform the 'proposed submission' versions of the DPDs. A summary of issues raised in the engagement period are stated within the respective 'Statement of Engagements' (Appendix 5 and 6).

#### Proposed submission stage:

- 6.10 The drafting of the 'proposed submission' DPDs resulted in merging the Development Management DPD and the Sites and Placemaking DPD to form the 'Managing Development – Development Plan Document' to simplify the planning framework. In addition, the policy detail, site allocations and supporting text was developed taking account of the draft National Planning Policy Framework and the new London Plan (July 2011).
- 6.11 A number of technical evidence based documents have also been produced to provide an objective assessment of development needs and pressures and to ensure that the DPDs are robust, deliverable and take into account viability. The evidence base documents are provide at Appendix 9 to this report.
- 6.12 The 'proposed submission' DPDs were approved by Cabinet (December 2011) to undergo final statutory consultation known as the 'Call for Representations'. This took place between 23 January and 9 March 2012, for the Call for Representations period and the public, landowners, developers, businesses and key stakeholders were invited to make formal representations on the DPDs.
- 6.13 During the Call for Representations period, the Council organised and facilitated 10 drop in sessions in the borough's Idea Stores and libraries. This provided an opportunity for the public to discuss the process for making a duly made representation.
- 6.14 86 respondents made a total of 482 formal representations on the Managing Development DPD and 38 respondents made a total of 236 formal representations on the Fish Island AAP.

- 6.15 The key issues raised during the consultation included:
- Affordable Housing – The GLA and a number of developers objected to the Council’s approach to prioritising social rented affordable homes and controlling the rental levels of Affordable Rented homes as it was seen that this could reduce the overall supply of affordable housing.
  - Waste Allocation Site – A number of landowners and local residents objected to the allocation of Ailsa Street as a potential waste site on amenity grounds
  - Allocation of sites for schools and local parks – A number of landowners and developers objected to the allocation of sites based on viability, deliverability and lack of justification of need.
  - Building Heights Policy – A number of landowners and developers objected to the policy as they considered its rigid application could unduly restrict building heights and development potential.
  - Strategic Industrial Land boundary in Fish Island – A number of landowners and developers objected to the extent of the boundary on the basis that it limits the redevelopment potential of their sites whilst local residents have objected in terms of impact on amenity.
  - Employment Policies – A number of developers and landowners have objected to each of the Employment policies on the basis that they are over protective of employment uses and will prejudice redevelopment opportunities.
- 6.16 The process, analysis and responses to these key issues and all of the other representations are set out in the following documents,
- § The Statement of Engagement which includes a summary of the representations, issues raised and how they were addressed (Appendix 5,6)
  - § The Council’s response to each representation (Appendix 7,8)
  - § The Minor Amendment Tables which identify minor changes proposed for the Managing Development DPD and Fish Island AAP (Appendix 3,4)
- 6.17 Having reviewed all of the representations, it is not considered that it is necessary to undertaken anything other than minor amendments to the DPDs prior to submission to the Secretary of State and that the Management Development DPD and Fish Island AAP remain sound and should be submitted.
- 6.18 The Mayor of London has confirmed that the DPDs are in conformity with the London Plan, with the exception of the affordable housing policy. The Council’s response to this is dealt with in the Statement of Engagement (Appendix 5, 6) and Response to Representations (Appendix 7, 8).

- 6.19 The Council in preparing development plan documents has a duty to cooperate as set out in s33A of the Planning and Compulsory Purchase Act 2004, and to this end the Council has engaged constructively, actively and on an on-going basis with the relevant bodies in the process of preparing the DPDs. This is demonstrated in the Statement of Engagement (Appendix 5, 6), which specifically shows how the Council has gone beyond simple consultation and how it has ensured engagement and cooperation between the Council and statutory consultees, neighbouring boroughs and other key stakeholders.

### Next Steps

- 6.20 Subject to Full Council approving the Managing Development DPD and the Fish Island AAP, the documents (and supporting materials) will be submitted to the Secretary of State in accordance with the recommendation of this report and regulation 22 of The Town and Country Planning (Local Planning) (England) 2012. The Council will also enter into a Service Level Agreement with the Planning Inspectorate for the Examination in Public preparations.
- 6.21 This decision will be published in local press, on the Council website and all interested parties who have been involved in the production of these documents will be notified of this decision. The Council will also publish the DPDs and supporting materials in the borough's Idea Stores and libraries and planning reception.

## **7. COMMENTS OF THE CHIEF FINANCIAL OFFICER**

- 7.1 Following the completion of the statutory consultation process, this report seeks approval from Council to submit the two new Local Development Framework documents - the 'Managing Development' Development Plan Document, and the Fish Island Area Action Plan – to the Secretary of State for examination.
- 7.2 Whilst there are no specific financial consequences arising directly from the recommendations in the report, ultimately the Local Development Framework and its constituent elements will underpin key decisions in relation to the allocation of the limited resources available within the Borough, and will influence the shaping of the Council's Capital Strategy.
- 7.3 Appendices 5 and 6 to the report outline the key issues arising from consultation. These set out some of the challenges that the Authority and its partners may face over coming years as a result of demographic and economic growth. Individual infrastructure developments will need to be subject to detailed planning at the appropriate time, including consideration of the financial impact on both partner organisations and on the Council.
- 7.4 The main costs associated with the production of the Local Development Framework are staffing related and have historically been part supported

through Housing and Planning Delivery Grant. The two development plan documents included within this report have been the subject of on-going consultation processes which incurred costs on items such as advertising, printing, hiring venues and facilitating public meetings. Although the Housing and Planning Delivery Grant regime ended in 2009-10, resources have been earmarked to fund this expenditure. The final stage of the LDF process is an 'inspection in public' for which the Authority must incur all costs, including those of the appointed inspectors. Resources have previously been set aside as part of the budget process to contribute towards the funding of these costs.

## **8. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL SERVICES)**

- 8.1. The Local Development Framework (LDF) consists of a suite of documents which set out planning policy. As the report notes, the Council has already adopted its principal DPD, being the Core Strategy, which establishes the general spatial vision and planning objectives for the borough. Two further DPDs are now required in order to deliver this vision - The 'Managing Development DPD and The Fish Island AAP (note: AAPs have the same status in legislation as a DPD). The DPDs are required to be in conformity with the Council's adopted Core Strategy and the Regional Spatial Strategy (or the Spatial Development Strategy in London).
- 8.2. The preparation, consultation upon, examination and adoption of a DPD is controlled by the Planning and Compulsory Purchase Act 2004 and the new Town and Country Planning (Local Development) (England) Regulations 2012 ("2012 Regs"). This report confirms that the requirements leading up to submission have been satisfied. It is noted that such requirements were carried out in accordance with the previous regulations - the Town and Country Planning (Local Development) (England) Regulations 2004 - and the now revoked Planning Policy Statement 12. However regulation 38 of the 2012 Regs confirms that anything done pursuant to the 2004 Regulations will be considered to accord with the corresponding 2012 Regs.
- 8.3. This report seeks members' approval to submit the two DPDs (along with all relevant documents and information as required pursuant to Regulation 22 of the 2012 Regs) to the Secretary of State for public examination as to the soundness of the DPDs.
- 8.4. Pursuant to section 9D(2) of the Local Government Act 2000 and regulation 4 and Schedule 3 to the Local Authorities (Functions and Responsibilities) (England) Regulations 2000, the formulation or preparation of a DPD is a function that is not to be the sole responsibility of a local authority's executive. Regulation 4 specifies elements of the process of preparing a DPD that shall not be the responsibility of the executive and this includes approval of the DPDs for submission to the Secretary of State for approval. The recommendations in the report reflect this division of responsibilities.

- 8.5 Following public examination the Inspector will issue a report making recommendations as to the soundness of the DPDs which the Council must publish. Following receipt of the report the Local Authority will seek to formally adopt the DPDs in line with the Inspectors recommendation. Full Council will be asked to formally endorse adoption at a future date.
- 8.5. In carrying out the function of preparing a DPD, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't. The report indicates that an equality analysis has been carried out and no negative equality impacts arise.

## **9. ONE TOWER HAMLETS CONSIDERATIONS**

- 9.1 Equalities Assessments have been undertaken in support of the Managing Development DPD and Fish Island AAP. The EqAs assess issues relating to the diversity of the borough including, race, gender, disability, age, sexual orientation faith and deprivation. The EqA Reports are included as part of the evidence base provided at Appendix 9 to this Report. The consultation did not disclose any impacts that required re-assessment of the equalities analyses.
- 9.2 It should also be noted that the Managing Development DPD and Fish Island AAP are looking to support the delivery of the Council's LDF Core Strategy, which was itself subject to EqA.

## **10. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

- 10.1 Detailed Sustainability Appraisals have informed the preparation of the Managing Development DPD and Fish Island AAP. The Sustainability Appraisal Reports are included as part of the evidence base provided at Appendix 9 to this Report.
- 10.2 In accordance with the LDF Core Strategy, the Managing Development DPD and Fish Island AAP will help ensure a greener environment in a number of ways, including: helping improve existing areas of open space and secure new areas of open space; promoting biodiversity; promoting sustainable transport options; and ensuring new buildings meet the highest environmental standards.

## **11. RISK MANAGEMENT IMPLICATIONS**

- 11.1 An LDF Board was established in May 2010, chaired by the Corporate Director of Development & Renewal, to lead on the preparation of future planning documents within the LDF. Risk Management and mitigation is a standard item at monthly LDF Board meetings. As part of the Borough's

LDF, the Managing Development DPD and Fish Island AAP have been subject to this risk management process.

## **12. CRIME AND DISORDER REDUCTION IMPLICATIONS**

- 12.1 The Managing Development DPD and Fish Island AAP have specific policies to improve the safety and security of new developments and the surrounding public realm. These policies will contribute to ensuring that communities feel safe and secure.

## **13. EFFICIENCY STATEMENT**

- 13.1 The Managing Development DPD and Fish Island AAP have been prepared in the context of the LDF Core Strategy and other relevant Council Strategies, such as the IDEA Store Strategy, Employment Strategy and Leisure Strategy. This means the Managing Development DPD and Fish Island AAP closely reflect Council priorities and the Council's capital planning process and fully compliments the Core Strategy vision of ensuring the timely provision of necessary social and physical infrastructure to support the growth in population and jobs in the Borough over the next 15 years.
- 13.2 The Managing Development DPD and Fish Island AAP will also ensure the Council has a fully up-to-date suite of planning documents which responds to the identified needs of the Borough and provides a more efficient basis for the determination of planning applications.

## **14. APPENDICES**

Appendix 1 – Managing Development DPD, Proposed Submission Version, January 2012  
Appendix 2 – Fish Island AAP, Proposed Submission Version, January 2012  
Appendix 3 – Table of Minor Amendments to Managing Development DPD  
Appendix 4 - Table of Minor Amendments to Fish Island AAP  
Appendix 5 – Statement of Engagement - Managing Development DPD  
Appendix 6 – Statement of Engagement - Fish Island AAP  
Appendix 7 – Response to Representations - Managing Development DPD  
Appendix 8 – Response to Representations - Fish Island AAP  
Appendix 9 – Evidence Base

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### **Local Government Act, 1972 Section 100D (As amended)**

#### **List of “Background Papers” used in the preparation of this report**

Brief description of “background papers”	Name and telephone number of holder and address where open to inspection.
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N/A

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REPORT OF THE MAYOR IN CABINET

08 FEBRUARY 2012

To receive the report of the Cabinet at its meeting held on Wednesday **08 February 2012**.

Mayor and Councillors in attendance at the meeting: -

**Cabinet:**

Mayor Lutfur Rahman	
Councillor Ohid Ahmed	(Deputy Mayor)
Councillor Rofique U Ahmed	(Cabinet Member for Regeneration)
Councillor Shahed Ali	(Cabinet Member for Environment)
Councillor Abdul Asad	(Cabinet Member for Health and Wellbeing)
Councillor Alibor Choudhury	(Cabinet Member for Resources)
Councillor Shafiqul Haque	(Cabinet Member for Jobs and Skills)
Councillor Rabina Khan	(Cabinet Member for Housing)
Councillor Rania Khan	(Cabinet Member for Regeneration)
Councillor Oliur Rahman	(Cabinet Member for Children's Services)

**Other Councillors:**

Councillor Kabir Ahmed	(Executive Advisor to the Mayor and Cabinet)
Councillor Stephanie Eaton	
Councillor David Edgar	
Councillor Marc Francis	
Councillor Ann Jackson	(Chair of the Overview and Scrutiny Committee)
Councillor Md. Maium Miah	(Executive Advisor to the Mayor and Cabinet on Third Sector and Community Engagement)
Councillor Joshua Peck	(Leader of the Labour Group)
Councillor Bill Turner	

**1. Enterprise Strategy (CAB 068/112)**

The report (attached as Appendix A to this council report) informed the Mayor and Cabinet that: -

- It provided Members with an overview of the Tower Hamlets Enterprise Economy; information about key stakeholders and a summary of the key issues facing the economy in the Borough.
- The draft Strategy had been widely circulated for comment to internal and external stakeholders during late April and throughout May 2011.
- Comments from the consultation exercise had been considered and taken into account and a final (post consultation) draft was presented to the Cabinet for endorsement.



<b>Committee/Meeting:</b> Cabinet	<b>Date:</b> February 2012	<b>Classification:</b> Unrestricted	<b>Report No:</b> CAB 068/112
<b>Report of:</b> Corporate Director Development and Renewal  <b>Originating officer(s)</b> Nick Smales - Service Head Economic Development and Olympic Legacy		<b>Title:</b> Enterprise Strategy  <b>Wards Affected: All</b>	

<b>Lead Member</b>	Cllr. Shafiqul Haque - Lead Member Employment
<b>Community Plan Theme</b>	Prosperous Communities
<b>Strategic Priority</b>	Supporting more people into work and improving employment skills; and  Fostering enterprise and entrepreneurship

## 1. **SUMMARY**

- 1.1 The draft Strategy was widely circulated for comment to internal and external stakeholders during late April and throughout May 2011.
- 1.2 Comments from the consultation exercise have been considered and taken into account and a final (post consultation) draft is attached for adoption by Cabinet.

## 2. **DECISIONS REQUIRED**

The Mayor in Cabinet is recommended to:-

- 2.1 Note the extensive consultation process undertaken for the draft Enterprise Strategy and the amendments made to the document
- 2.2 Agree to the Strategy and the proposed action plan going forward to Full Council for approval.

## 3. **REASONS FOR THE DECISIONS**

- 3.1 The Local Economic Assessment, completed during 2010, concluded that Tower Hamlets was a place like no other facing "*both challenges and opportunities like no other local authority.*" The economic transformation of the Borough in the past two decades has made the Borough's economy

significant in a global context and yet the Borough has the second lowest employment rate in London despite there being three jobs for every two residents in the Borough.

- 3.2 The Employment Strategy adopted by Cabinet in May 2011 seeks to focus activity on supporting residents into the labour market, essentially responding to labour market supply. It is also necessary to consider the demand side of the labour market i.e. the ability of the enterprise economy to grow and create jobs and opportunities for local Tower Hamlets residents. The Enterprise Strategy therefore provides a focus for the Council and its partners concerned with the growth and relevance of the demand side of economic development in the Borough.

#### **4. ALTERNATIVE OPTIONS**

- 4.1 The principal focus for the Council and its partners is clearly to respond to the worklessness challenge, supporting more residents into work which is a function of the recently adopted Employment Strategy and thus the option of continuing economic development activity guided solely by the Employment Strategy was considered.
- 4.2 However given the significant evidence base generated from the LEA and the aim of ensuring greater employment and enterprise opportunities for local residents via a greater understanding and development of interventions on the demand side development of the first Enterprise Strategy was considered the most appropriate option.

#### **5. BACKGROUND**

- 5.1 The strategy considers the structure of the Tower Hamlets economy including its transformation from a de-industrialising, traditional economy to a predominantly knowledge based, higher skilled, service economy.
- 5.2 Transformation has been driven by the emergence of the financial and business services cluster and this sector is forecast to continue to grow further over the next decade. However, whilst the Tower Hamlets economy has been hugely successful in the past decade its benefits and relevance to Tower Hamlets residents is not comprehensive and there remains the need to maintain a broad based, diverse economic structure which supports the start up, development and growth of businesses in the Borough in growth sectors in addition to financial and business services.
- 5.3 The Council and its partners have the ability to shape and influence the enterprise environment and the Enterprise Strategy has been developed to respond to the objective of supporting enterprise and entrepreneurial activity for the benefit of local people.

#### **6. BODY OF REPORT**

- 6.1 The Tower Hamlets economy has transformed over the past three decades and is now worth around £6 billion annually. In the decade to 2008 employment grew in the Borough by around 60% so that there are now around 1.4 jobs accommodated in the Borough for every working age resident.
- 6.2 The growth has been characterised by the emergence of the Financial Services Sector and Business Services sector clustered around Canary Wharf and the City Fringe. These sectors account for over half of all jobs in the Borough. There is however evidence that there is a ripple effect emerging across the Borough with reference to auxiliary services serving the principal clusters.
- 6.3 Traditional industries have declined as the economy transitions from a traditional industrial economy into a knowledge based / service sector economy and manufacturing now accounts for around 5% of employment in the Borough which drops to 2% if the classification of newspaper publishing is discounted from the wider manufacturing category.
- 6.4 There is a healthy rate of business births in the Borough and there is evidence of SME growth above England averages. The greatest number of businesses exist in the Wholesale and Retail and Business Activities sectors.
- 6.5 Issues within the enterprise economy include the need to close the gap between the skills increasingly demanded by the knowledge economy and the skills levels of local residents; the limited supply and affordability of space for small businesses; access to financing for start up and small businesses and a fragmented business advice network.
- 6.6 Overall the Enterprise Strategy seeks to provide the context for the maintenance of a vibrant and growing economy which benefits the local population. Accordingly the draft Strategy establishes the overall aim of the Strategy as *to encourage and support enterprise and entrepreneurial activity to increase opportunity, prosperity and mobility in Tower Hamlets.*
- 6.7 The Strategy includes:
- an overview of the Tower Hamlets Enterprise Economy (chapter 2, *What is happening in the Tower Hamlets Enterprise Economy*)
  - information about key stakeholders (chapter 3, *Who's who in relation to Enterprise*)
  - a summary of the key issues facing the enterprise economy in the borough (chapter 4, *Challenges*)
- 6.8 The key conclusions of each of these sections are summarised below:
- 6.9 **What is happening in the Tower Hamlets Enterprise Economy**

- 6.9.1 Enterprise is strong in Tower Hamlets and the economic picture is broadly positive. There has been a major and long-term shift towards financial services. Financial services help to fuel a cluster of other businesses, buying in services and supplies and spending money locally, including through their employees. This in turn creates opportunities for a broad range of business services. Functionally, Tower Hamlets is now part of the central London economy.
- 6.9.2 These changes bring some tensions, as traditional sectors continue to decline, but new opportunities exist. Besides financial and business services, tourism, creative industries and knowledge-based industries are growth sectors which are not directly part of the financial and business services cluster and offer greater diversity. Tower Hamlets has a higher than average level of business starts, indicating that there are enterprising local people.

## 6.10 Who's who in relation to Enterprise

6.10.1 There are different types of business in the borough, which have different characteristics and therefore require different responses from an enterprise strategy. Four key types of business are outlined. Within Tower Hamlets there are also services which exist to support enterprise, for instance through providing finance and advice, and this includes a particular role for the Council. Generally speaking, the borough and partners have a greater role to play in supporting enterprises which are more locally focused in terms of the markets they serve and/or the people they employ.

## 6.11 Challenges

6.11.1 *The skills gap - residents and borough businesses* A high proportion of local residents lack basic skills, and there is a predominance of job opportunities that are either at entry level or require a very high level of skills – with relatively little in between. Tackling both these issues will have benefits for both businesses and residents. The Employment Strategy suggests how the Council and its partners can improve residents' access to jobs by raising their skills levels. The challenge for the Enterprise Strategy is to support enterprise, encourage growth and support a diverse, sustainable business base that generates employment within the borough and that local people can access.

6.11.2 *Relatively low rate of self-employment* Overall, self-employment appears to be underperforming in Tower Hamlets, in terms of its contribution to the borough's enterprise economy and specifically in its contribution to employment. However, there has been a significant increase in self-employment rates in the borough in recent years, particularly among women, and female self-employment rates are relatively strong. The Council and its partners need a fuller and more detailed understanding of the issues relating to self-employment in Tower Hamlets, in order to inform business support provision so as to

maximise the contribution self-employment can make to tackling unemployment.

6.11.3 *Limited resources for business* Business support provision is under increasing threat, owing to funding reductions and uncertainty about future funding. The existing services have finite resources and are probably not sufficient to fully meet local needs. There are also signs that the sources of finance for enterprise in Tower Hamlets may be limited, and constraining business operation and expansion. The Enterprise Strategy should provide a framework for coordinating provision in order to maximise the impact of scarce resources.

6.11.4 *Underperforming town centres* Improving the performance of the borough's town centres has the potential to retain more spending locally, support a more diverse economy in Tower Hamlets, and increase the number and range of jobs available to residents. The Enterprise Strategy can support the delivery of the Town Centre Spatial Strategy by ensuring that business support provision meets the needs of existing town centre businesses, and encouraging a wider range of businesses, particularly SMEs, to locate in the borough's town centres.

6.11.5 *Lack of suitable workspace for small businesses* There is a shortage of workspace for SMEs in Tower Hamlets, which risks pushing business start-ups and growing businesses out of the borough. These enterprises are vital for the strength of the local enterprise economy and could provide substantial employment opportunities to local people. Improving the supply of flexible workspace would support small and growing businesses and, if located in parts of Tower Hamlets other than Canary Wharf and the City Fringe, could support the commercial viability of town centres in the borough. The Enterprise Strategy can help to address this issue by promoting the development of appropriate workspace, particularly in town centres.

6.12 Having reviewed the evidence base and identified the key challenges, the Strategy proposes a series of strategic and intermediate objectives for the Council and its partners in meeting the identified challenges and supporting the borough's enterprise economy. These are set out in the next section.

## 7. **STRATEGY AIMS and OBJECTIVES**

- 7.1 It has always been the intention to express the overall purpose or aim of the strategy as straightforwardly as possible to provide coalescence around a clear purpose and thus the strategic aim for the Strategy has been developed *as to encourage and support enterprise and entrepreneurial activity to increase opportunity, prosperity and mobility in Tower Hamlets*
- 7.6 In order to define how progress can be made against the overall aim and reflecting comments made in the consultation process, three Strategic Objectives have been developed. The table overleaf provides the read through from the strategy aim to the strategic objectives and then to the intermediate objectives which in turn provide the context for the development and delivery of activity.

**Table: Aim and Objectives Read Through**

<b><u>AIM</u></b>	<b>STRATEGIC OBJECTIVE</b>	<b>INTERMEDIATE OBJECTIVE</b>
<b>To encourage and support enterprise and entrepreneurial activity to increase opportunity, prosperity and mobility in Tower Hamlets</b>	1. Support the establishment, growth and development of SMEs.	1.1 Co-ordinate and strengthen enterprise support services and access to finance
		1.2 Work with large organisations and business to harness their resources for the benefit of SMEs
		1.3 Support social enterprise
	2. Provide an environment that supports a thriving and diverse economic base	2.1 Secure premises to support business growth
		2.2 Ensure that the physical environment, including town centres, is suitable for a range of businesses
		2.3 Encouraging an entrepreneurial spirit and a culture of innovation
	3. Support the borough's enterprise economy by communicating local needs and wishes to influence a variety of audiences	3.1 Develop Tower Hamlets enterprise voice
		3.2 Influence the policy context to maintain a diverse and sustainable economy
		3.3 Promote Tower Hamlets as a location for investment and enterprise, and a destination for visitors



## **8. CONSULTATION**

- 8.1 As referenced above throughout late April and most of May the draft strategy (considered by MAB in April) was subject to consultation and a number of comments were received and the Strategy revised accordingly.
- 8.2 Generally the consultation draft Strategy was well received by external agencies including some strongly positive feedback e.g.
- “The Tower Hamlets Enterprise Strategy.....is a very comprehensive document, and we at the centre welcome support for enterprise”  
  
(East London Small Business Centre)
  - “The Executive Summary and Context sections show thorough research and set the scene well.”
  - “Overall, a good strategy that has the potential to deliver change and results”  
  
(East London Business Place)
- 8.3 With reference to comments concerned with areas for strengthening / attention these fell into two principal areas, the role of the voluntary / third sector in supporting social enterprise and how the Strategy could help residents obtain jobs in the local enterprise economy.
- 8.4 As a result of the consultation process and responding to internal comment the structure of the strategy has changes to provide a greater focus on why it is necessary in a Borough such as Tower Hamlets for the Council to develop an Enterprise Strategy and the purpose behind the proposed interventions in the enterprise economy.
- 8.5 A report on the detail of the consultation and the strategy response is attached at Appendix 3.

## **9. COMMENTS OF THE CHIEF FINANCIAL OFFICER**

- 9.1 This report asks Cabinet to approve the Enterprise Strategy following the stakeholder consultation that has recently taken place.
- 9.2 As is the case with the closely related Employment Strategy, the objectives contained within the Enterprise Strategy set out a range of activities and priorities for the Council and key partners providing a clear focus for ensuring that available resources are targeted to and in line with these priorities.
- 9.3 Whilst there are no specific financial consequences arising from the recommendations in the report, delivery of the strategy will be extremely

challenging in the current economic climate, and will require a co-ordinated approach and aligning of funding from all major partners. It will also require that best value for money is obtained from limited sources of external funding, given that the Council's mainstream resources to support the Enterprise Strategy are extremely limited.

10. **CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE  
(LEGAL SERVICES)**

- 10.1. There is no statutory requirement for the Council to adopt an enterprise strategy. It is understood that the strategy is being brought forward to further the Council's sustainable community strategy, as expressed in the Community Plan. This may be underpinned by the Council's well-being power, set out in section 2 of the Local Government Act 2000.
- 10.2. The Council is empowered under section 2 of the Local Government Act 2000 to do anything which it considers likely to promote the social, economic or environmental well being of Tower Hamlets, provided the action is not otherwise prohibited by statute. The power may be exercised in relation to, or for the benefit of: (a) the whole or any part of Tower Hamlets; or (b) all or any persons resident in Tower Hamlets. In exercising the power, regard must be had to the Community Plan. The Council should be satisfied that there is appropriate evidence to suggest that the strategy will relevantly promote well-being.
- 10.3. In the absence of any statutory obligation to consult, it is still good practice for consultation to be undertaken at a time when proposals are still at a formative stage, to include sufficient information to allow those consulted to give intelligent consideration and response and to allow adequate time for this purpose. A report on the consultation conducted is provided with the report.
- 10.4. The enterprise strategy plays a companion role to the Council's employment strategy and will assist the Council to realise the priorities of the Community Plan insofar as the strategy will be a document informing Development Plan Documents including the Development Management DPD and Site and Place-Making DPD.
- 10.5. The enterprise strategy is not proposed to eventually be adopted as a Local Development Framework (LDF) planning document, rather it is an overarching strategy that will inform the LDF, and therefore will not attract the same weighting in terms of the Council's local planning policy. Such approval raises no immediate legal implications.
- 10.6. Before making the proposed order, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't. An equality impact assessment has been prepared and this may assist the Council to meet its statutory equality duty.

## **11. ONE TOWER HAMLETS CONSIDERATIONS**

- 11.1 The overall aim of the strategy is to Strategy is to increase opportunity, prosperity and mobility in Tower Hamlets consistent with the Vision and Priorities expressed in the Tower Hamlets Community Plan.
- 11.2 An Equalities Impact Assessment has been undertaken as part of the strategy development process. The Equalities Impact Assessment has concluded that the approach taken in developing the strategy will have a positive impact on equality of opportunity in the borough, as intended. It recognises and acknowledges the diversity of the Tower Hamlets population and business base by ensuring that initiatives will be implemented and monitored to ensure substantial benefit for these diverse groups and to provide support for any group which, in terms of business support and involvement is disadvantaged compared with the others.
- 11.3 Following the impact assessment it is not anticipated that the Strategy will lead to any discrimination or other behaviour that has been prohibited by the Equality Act 2010.

## **12. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

- 12.1 The strategy sets objectives around creating opportunity within the local supply chains which if realised will lessen the carbon footprint whilst capturing business activity and wealth within the Borough.

## **13. RISK MANAGEMENT IMPLICATIONS**

- 13.1 The principal risk for the Enterprise Strategy is around execution and the full engagement of key partners which are fundamental to the aims of the strategy. For example the need for better coordination of a fragmented business and enterprise support network in the Borough requires the engagement and commitment of business agencies operating in the Borough and thus without their participation and support the ability to join up / coordinate services better will be more difficult.

## **14. CRIME AND DISORDER REDUCTION IMPLICATIONS**

- 14.1 The aim of the strategy is to increase opportunity, prosperity and mobility in the Borough through supporting an enterprise economy that creates jobs and wealth for local residents. Increasing available employment opportunities to match the refreshed Employment Strategy aim of increasing the number of residents in work will make a positive contribution to the reduction of crime and disorder.

## **15. EFFICIENCY STATEMENT**

- 15.1 The Enterprise Strategy has been developed from within the context of a changed policy environment and therefore a number of efficiencies can be identified from delivery of objectives and from the development of a strategic approach.
- 15.2 Having a robust, partnership agreed strategy can reduce inefficiencies within the enterprise, business support network and support bidding for and leverage of national / regional and local resources are targeted against Tower Hamlets priorities. Given the changed policy context in which the public sector can only bid for Regional Growth Fund with the private sector having clearly articulated aims and objectives which are agreed with and by partners will support Tower Hamlets voice in attracting funds and within new governance structures such as the pan London Local Enterprise Partnership (LEP).

## **16. APPENDICES**

- Appendix 1 – Enterprise Strategy
- Appendix 2 – Indicative Action Plan
- Appendix 3 – Consultation Response document
- Appendix 4 – Equalities Impact Assessment

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**Local Government Act, 1972 Section 100D (As amended)  
List of “Background Papers” used in the preparation of this report**

Tower Hamlets Local Economic  
Assessment (December 2010, vols 1-4)

Nick Smales  
Service Head  
x 4628



# Enterprise Strategy: *Executive Summary and Introduction*

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## Executive Summary

Enterprise benefits Tower Hamlets in many ways. It offers employment and brings wealth into the borough, some of which is spent locally, supporting retail and recreational areas, and making public spaces more vibrant.

However, it is vital that residents can make the most of the opportunities enterprise brings and, in a borough where deprivation is still pronounced, it is right that the Council and partners work together to make this potential for further improvements to everyone's quality of life a reality. When these elements work together, the virtuous cycle established benefits both residents and businesses.

As such, the Enterprise Strategy fits closely with the aims of the Core Strategy and Prosperous Communities. The aim of the Enterprise Strategy is to *encourage and support enterprise and entrepreneurial activity to increase opportunity, prosperity and mobility in Tower Hamlets.*

Tower Hamlets has a strong base on which to build, including its strategic location and a positive economic outlook. It has experienced very rapid employment growth and is functionally part of the central London economy. The profound shift to financial services creates additional jobs in associated sectors and this business cluster will continue to be vital to the development of the borough. Residents in Tower Hamlets are enterprising and it is a dynamic environment for new and existing businesses.

Alongside growth, there is also transition. Traditional sectors are in decline, whilst others such as tourism, creative and knowledge-based industries offer exciting possibilities for renewed growth and diversification. As a result, some types of business and enterprise sectors therefore deserve particular encouragement and support so that the advantages of enterprise increasingly complement the wellbeing of the borough's population. It should also be noted that some businesses, including social enterprises, tend to have a local focus in terms of the markets they serve and the people they employ. The Strategy seeks to identify some of the differences between businesses as well as the partners and support services, most notably advice and finance, that all have a stake in success.

Tower Hamlets faces a number of challenges with regards to strengthening its economy to provide a fertile ground for enterprise from which residents can benefit. These can be grouped as:

*Economy and employment issues* – despite the many jobs which exist in Tower Hamlets, residents struggle to access them and employers report skills gaps. Without qualifications and training, combined with work experience, businesses and residents alike lose out. There is also a lower rate of male self-employment in Tower Hamlets than elsewhere. Addressing these issues stands to increase the opportunities for local people to access local jobs. This supports the Employment Strategy's aim of increasing employment.

*Resource issues* – despite the hard work of support agencies within and beyond the borough, high demand for these services results in gaps in provision. It is also unclear whether the right kinds of funding are available to businesses when they need them, which is a particular issue for smaller businesses and start ups. Efficiently co-ordinating and resourcing the agencies which can help with training, capacity building, access to suppliers (particularly in Canary Wharf and the City Fringe) and finance will support

# Enterprise Strategy: *Executive Summary and Introduction*

further growth and diversity in the economy where local people can play a greater role as entrepreneurs and employers.

*Spatial issues* – the supply of smaller office premises is low and Tower Hamlets has many minor town centres which could be made more attractive to community facing and other local enterprises. The Council can influence this through its planning and development powers. Improving the physical infrastructure and providing more B1 units, better retail environments, and clearer town centres, connected by even better transport, will foster business growth. This can bring further jobs into the reach of residents at the same time as providing goods and services which people want in town centres which are more welcoming.

Ongoing success is not guaranteed and will not come without effort from all stakeholders in the local economy. Based on the aim and in response to the challenges, three objectives are proposed. These are to:

1. **Support the establishment, growth and development of SMEs.** This includes working with large business and the public sector in terms of procurement and corporate social responsibility for SMEs and social enterprise. Support services and access to finance are also areas to strengthen here.
2. **Provide an environment that supports a thriving and diverse economic base.** This is physical – relating to business premises and better town centres – but is also about encouraging innovation and an entrepreneurial spirit, so that businesses continue to thrive, with Tower Hamlets' residents in strong positions.
3. **Support the borough's enterprise economy by communicating local needs and wishes** to influence a variety of audiences. By making it easier for Tower Hamlets' enterprises to voice their strengths and concerns, the Council and partners can both influence policy and promote the borough as a destination and location for enterprise.

Active work on all of these fronts will indeed *encourage and support enterprise and entrepreneurial activity to increase opportunity, prosperity and mobility in Tower Hamlets*. This Strategy, its objectives, and the first accompanying action plan – which will be updated annually – set the stage for accomplishing this. The Council looks forward to working with partners, including the businesses themselves as well as support agencies and the people of Tower Hamlets, to fulfil the aim.



## 1. Introduction

### 1.1 Strategic Context

The Enterprise Strategy fits within the context of the vision for “Prosperous Communities”, as set out in the Council’s Community Plan:

“We aim to create a Tower Hamlets in which everyone, regardless of their background and circumstances, has the aspiration and opportunity to achieve their full potential. At the heart of this theme is a focus on combating social exclusion, reducing poverty and improving the life chances of all residents.”

The Community Plan has a fundamental influence on all Council strategies which can affect the chance for residents to have “the aspiration and opportunity to achieve their full potential”.

This Enterprise Strategy has been written to complement other Council strategies. Specifically, it sits as a companion to the borough Employment Strategy, in recognition of the synergy and overlap between workforce and economy.

The aim of the Enterprise Strategy is to:

*encourage and support enterprise and entrepreneurial activity to increase opportunity, prosperity and mobility in Tower Hamlets*

The Enterprise Strategy provides the basis for intervention and the proposed direction for achieving the chosen objectives. This will require work on the part of the Council by, with and for local enterprises, in conjunction with other stakeholders in the borough.

### 1.2 Why Enterprise is Important

Enterprise is important to Tower Hamlets in a number of respects:

- **Enterprise creates opportunities for employment** – enterprises provide jobs which local residents can apply for (although it should be noted that less than a third (31%) of working residents work in the borough, with the rest working outside it).<sup>1</sup> The degree to which job opportunities are available and open to local residents contributes to the well being of residents and communities, as well as the achievement of other borough goals, including reducing child poverty. This Enterprise Strategy concentrates on the demand side of employment for local residents.
- **Enterprise is a means for residents to create wealth** – many Tower Hamlets residents earn a living by owning a business or being self-employed. The borough is an entrepreneurial place, and generations of residents have relied on their entrepreneurial activity as a means of social mobility.
- **Enterprise fuels local economic activity** – the local economy is composed of individual enterprises, which can to a greater or lesser extent support other local enterprises and local communities. Such support can be through normal commercial activity, or through specific initiatives, such as Corporate Social Responsibility policies and social enterprise. The Strategy suggests how such support can best be focused.

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<sup>1</sup> Source: Annual Population Survey 2008

- **Enterprise improves the local environment** – businesses animate and invest in spaces for offices and retail, supporting the creation of sustainable neighbourhoods which people want to live near and visit.

The key question this Strategy seeks to address is what the Council and its partners can effectively do to support the local enterprise economy to both achieve its growth potential and foster new opportunities through business for borough residents. While growth forecasts for the borough have generally been positive, they are not inevitable and the Council wishes to ensure that the potential opportunity that growth represents is turned into real improvements for the borough's businesses and residents.

This is partly a matter of how initiatives can make a difference, and partly about how the transformation can be accomplished when resources are very limited. The objectives and the action plan proposed are designed to show how this can be done.

### **1.3 The Cost of Not Taking Action**

While the Tower Hamlets economy has experienced some of the highest employment growth in Europe in the last decade, it remains a deprived borough, with the second lowest working age employment rate in London at 59.4%<sup>2</sup> (roughly 10 percentage points behind the London average of 70.2%). With low employment comes economic exclusion. Whilst the 2010 Indices of Deprivation (IMD) show that Tower Hamlets has moved up from being the second most deprived borough in the country, its rank of seventh in 2010 (the third most deprived borough in London) shows that there is a long way to go. While more than a tenth of working residents earn over £100k p.a., compared to 2% for London as a whole, some 47% of residents are on benefits. This is a dramatic demonstration of the contrasts evident in one of the world's most diverse urban environments.

These challenges cannot be solved by any one strategy. But by ensuring a fertile ground for enterprises within the borough, new employment opportunities will arise which borough residents may be able to capitalise on, benefitting the individuals but also their families and communities. In particular many of the groups most excluded from the workplace, such as those with families or disabilities, are those which would most benefit from local employment. Removing barriers to new business starts in particular is likely to be of real benefit to borough residents in the future. This Enterprise Strategy therefore seeks to encourage a diverse, sustainable local enterprise economy, where borough residents can gain employment and take part in entrepreneurial activity, whether through self employment or by setting up a business.

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<sup>2</sup> 97,800 residents - Annual Population Survey, ONS. Nov 2010

## 1.4 Principles

Both the Strategy itself and individual initiatives stemming from it are underpinned by the following four principles.

1. **Partnership Working and Stakeholder Participation** – the Council will work with strategic and delivery partners to achieve its aim, as well as providing ample opportunities for those affected by the Strategy and action plans to help shape them.
2. **Data and Evidence** – as the basis for ensuring that actions have a strong likelihood of having a positive impact through enterprise on borough residents and businesses.
3. **Equalities and Diversity** – in recognition of the diversity of Tower Hamlets' population and business base. This includes ensuring substantial benefit for the diverse groups which make up Tower Hamlets' population and supporting any group which, in terms of business support or involvement in the wider business community, is disadvantaged compared with the others.
4. **Sustainable Development** – policies and programmes will seek to support economic, social and environmental goals simultaneously taking into account the needs of current and future generations.

These are applied in the Enterprise Strategy specifically to the establishment and/or growth of local enterprises.

## 1.5 Contents of This Strategy

This Strategy examines the main features of the borough's enterprise economy and how it is changing. This is followed by an analysis of the different types of businesses and enterprise stakeholders in Tower Hamlets. The shortcomings of the present enterprise economy from the point of view of local residents are presented, as is what the Council and partners can do to improve the situation.

Lastly, strategic objectives and proposed outcomes are set out showing what the Council and its partners will do to promote a positive enterprise environment and economy for the benefit of both resident and businesses.

### Key messages

Enterprise has the potential to benefit the borough in a variety of ways, including creating employment, creating wealth and revenue within the borough, and making the physical environment more attractive. This strategy is about how the Council and partners can encourage further enterprise growth, particularly in sectors of the borough economy that will more directly benefit borough residents. As such, it fits with the borough's aspirations as expressed in the Core Strategy and the work on Prosperous Communities.

## 2. What is happening in the Tower Hamlets enterprise economy

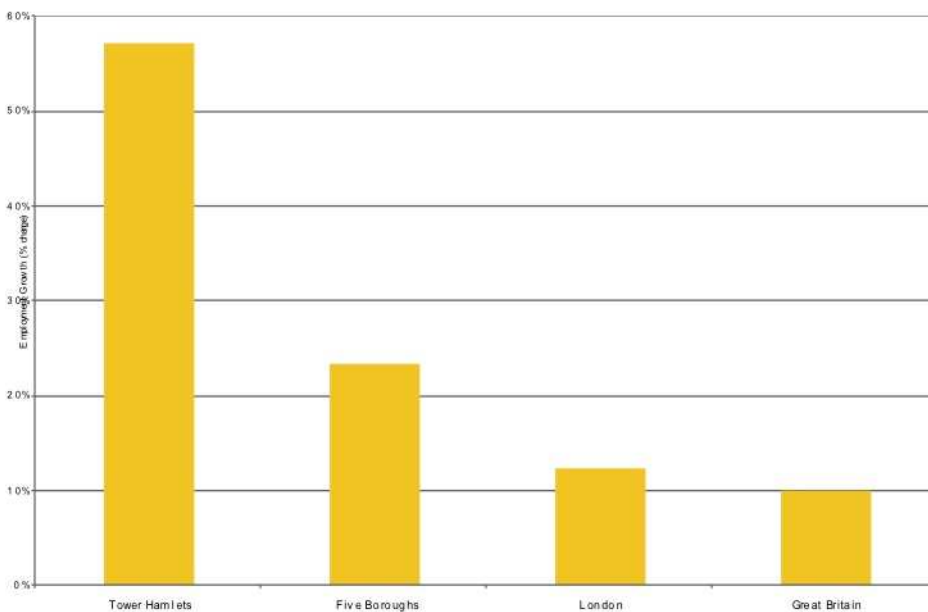
Tower Hamlets has a thriving economy worth some £6bn per annum that provides almost 1.4 jobs for every working-age resident of the borough. The enterprise economy is in many ways the borough's most significant strength and its growth has brought rapid and permanent change to the face of the borough, physically, economically and socially. Since the decline of the docks, Tower Hamlets has come to occupy a strategic location as development in London shifts eastwards. The Tower Hamlets Local Economic Assessment (LEA), produced last year, contained a full analysis of the enterprise economy, and forms the basis of this description of current trends.

### 2.1 The Rate of Change

Tower Hamlets has experienced phenomenal economic growth in recent decades. In the decade to 2008 employment in the borough grew by around 75,000 jobs, or almost 60%, some four times the rate for the wider London region. Although the borough's population has also grown, by 45,000 since 2001, employment growth has far outpaced that of the population as a whole.

With over 200,000 jobs within the borough, Tower Hamlets is now home to 5% of London's employment. There are almost three jobs for every two residents of working age in the borough: if all residents of working age were to be employed in Tower Hamlets, there would still be 60,000 jobs to fill, giving Tower Hamlets the fifth highest job density in London.

Figure 2.1 - Total Employment Change, 1998-2008



(Source: ABI)

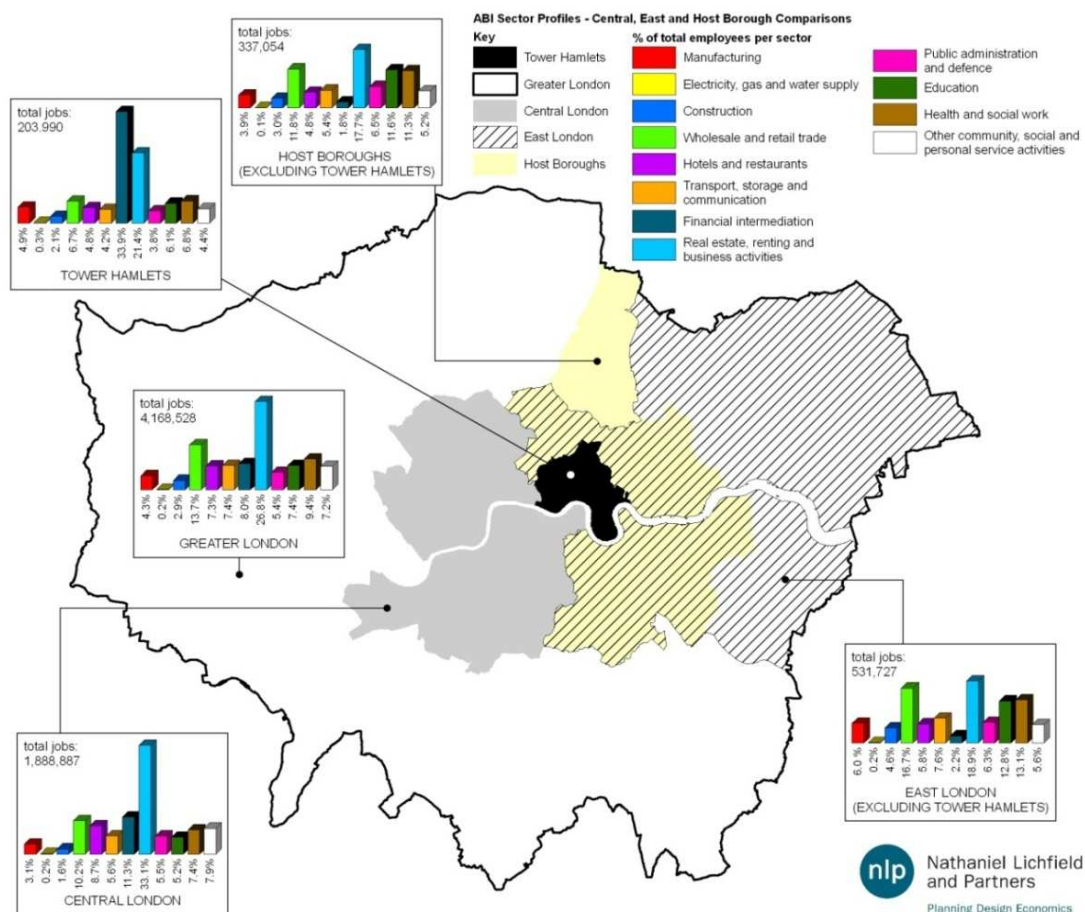
# Enterprise Strategy: What's Happening

As can be seen above, the borough's employment growth in recent years has far outpaced that of the Five Host Boroughs, the capital average, and that of the UK as a whole. This growth has been driven by the two dominant sectors in the borough's economy: financial services employment has more than trebled over the decade and real estate and business services have more than doubled. That employment within the borough is projected to grow by another 25-50% in the coming decades is also largely down to the continued success of these sectors.

## 2.2 A Central London Economy

Tower Hamlets sits physically and economically on the boundary between the City of London and the rest of East London. Like the City and the rest of the Central London Business District, the borough's economy has come to be dominated by financial and business services. These sectors provide around half of borough employment, in line with other Central London boroughs. This is in marked contrast to the rest of East London, including the other host boroughs, which are compared in the figure below.

Figure 2.2 - Central, East and Host Borough Comparisons of Employment Structure, 2008



(Source: ABI / NLP Analysis)

Strikingly, Tower Hamlets has over 200,000 jobs compared to approximately 337,000 for all of the other host boroughs combined. Furthermore, the composition of jobs is

# Enterprise Strategy: *What's Happening*

markedly different. Financial intermediation, followed by real estate, renting and business activities, dominates.

Employment within the borough is characterised by a high degree of in- and out-commuting, with 70% of working residents travelling outside of the borough to work, and 85% of jobs in the borough filled by those living elsewhere. This high level of commuting exchange is typical of other Central London boroughs and stands in marked contrast to the rest of East London.

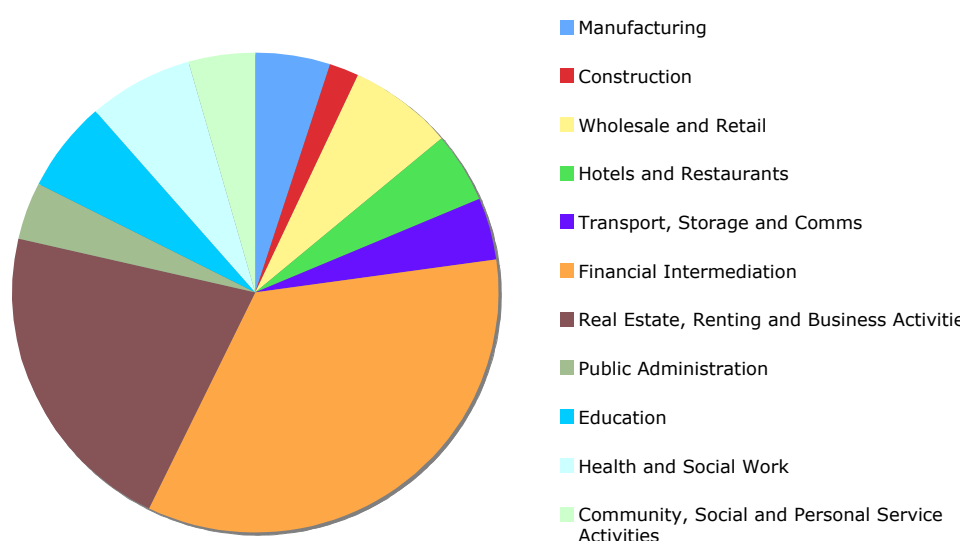
Although much has been made in recent years of Tower Hamlets' place within the five Host Boroughs and wider East London, economically the borough is functionally part of the Central London Business District, as the above characteristics demonstrate. New developments, such as the expansion of Canary Wharf to Wood Wharf and the two Crossrail stations being built in the borough, will only serve to increase this distinction.

These changes are undoubtedly good for the borough economy but are moderated by the risk that borough residents will be ill-placed to make the most of this opportunity. With only 15% of working age residents currently working in the borough, there is much work to be done to help residents capitalise on the growth and prosperity on their doorsteps.

## 2.3 Growth of Financial Services, Decline of traditional Sectors

Two geographical areas dominate enterprise in the borough, together providing 60% of employment – Canary Wharf and the Tower Hamlets City Fringe. The rise of Canary Wharf since the 1980s has acted as the prime engine of employment growth, providing a current total of 80,000 jobs, two-fifths of the borough's employment. Alongside this, there has been a significant development and intensification in the Tower Hamlets City Fringe, especially in Spitalfields and Aldgate: this area now provides some 15% of the borough's jobs. In both these areas this growth has largely been dominated by Financial and Business Services which, as the chart below indicates, now dominate employment in the borough.

Figure 2.3 - Enterprise Sectors in Tower Hamlets by no. of Employees



## Enterprise Strategy: What's Happening

Financial services and business services together amount to 55% of Tower Hamlets' employment. This can be compared with an equivalent figure of 45% for Central London and around 20% for the other Host Boroughs and the rest of East London. Figure 2.3 shows the growth and contraction of job numbers in each sector over the period 1998-2008. Blue bars indicate a rate of change above the London average, whereas yellow bars mean below average change.

Figure 2.4 - Tower Hamlets Sector Employment Growth, 1998-2008

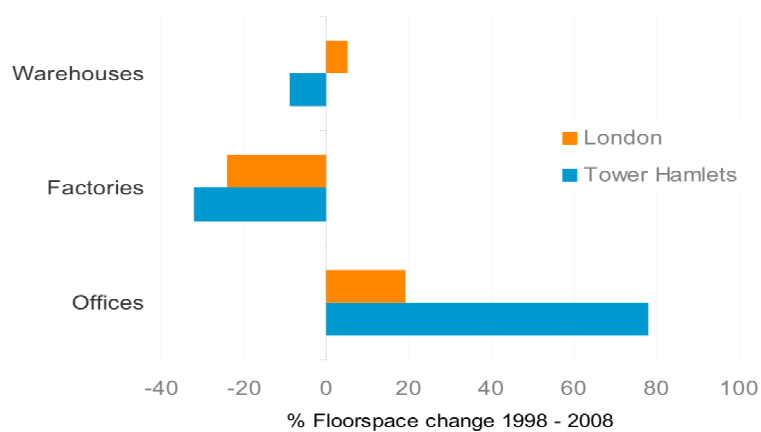


Source: Annual Business Inquiry/NLP analysis

Note: Blue bars indicate rate of change above London average, yellow below.

While the growth of financial services, real estate and other business services can be largely attributed to the transformation at Docklands, the significant growth in other sectors shows the underlying strength of the borough economy, with most sectors not only growing in the period, but growing faster than the London average. More 'traditional' sectors of the economy, such as manufacturing, wholesaling and land transport have experienced significant decline, although the 40+% decline in land transport employment is less than that experienced by London as a whole. The shifts from industries requiring significant warehouse and factory space towards knowledge-based economic activity also have physical implications, as changes in employment patterns are reflected in land use.

Figure 2.5 – Tower Hamlets Employment Space Change, 1998–2008



Source: NOMIS/VOA

As the figure above shows, employment space change within the borough has been far more dramatic than in London as a whole, with significant decline in the number of warehouses and factories and a marked increase in office floor space. It is no exaggeration to say that the face of the borough has been transformed by the clearance of industrial space and the rise of office towers in the last 20 years.

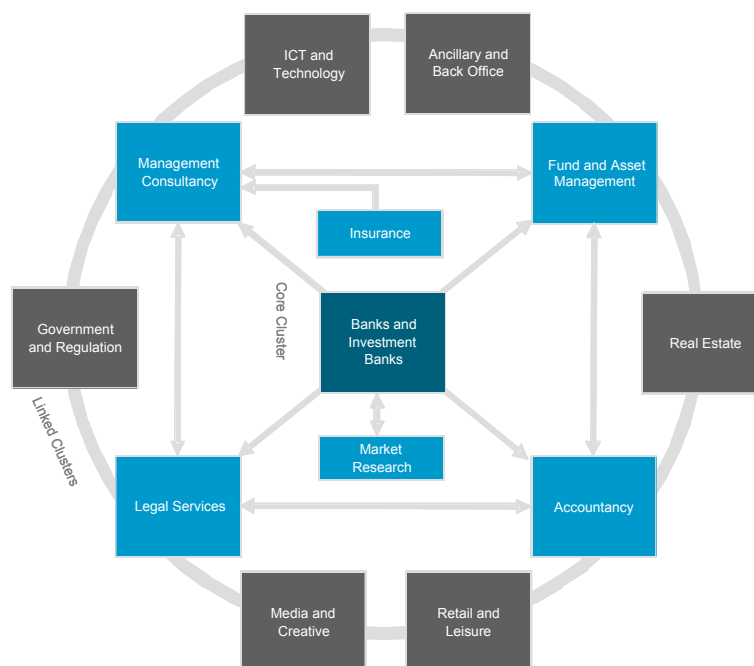
## 2.4 Financial Business Service Clustering

Although financial services and related firms are by far the biggest employers within Tower Hamlets, they should not be considered as isolated islands of employment: there is significant evidence that the concentration of financial services firms within the borough attracts other forms of employment. This “cluster affect” is indicated by the diagram below.



## Enterprise Strategy: What's Happening

Figure 2.6 - Composition of London Financial Service Cluster and Supporting Industries



Source: NLP adapted from PMSU (2004)

Each bank or insurance firm is linked to and supported by firms providing auxiliary financial, accountancy, legal and management services, with these firms in turn supported by others which enable them to function, including real estate, IT, media and creative firms. All these firms together can be linked less formally to the wider economy, directly or indirectly, through businesses and their employees spending money on goods and services such as shops, cafés, restaurants, bars, cleaning firms, catering, and other suppliers. Analysis from the LEA suggests that each job in a 'tier 1' bank or insurance firm directly supports almost one additional job in the immediate tiers below, and more in the wider economy.

It is this cluster effect that is the strongest argument for continuing to encourage the attraction of high-level financial institutions to the borough, as each bank or insurance institution acts as a multiplier for support businesses. Thanks to this effect, the financial services sector is driving a transformation of the borough in three distinct areas:

- in **economy**, with the exceptional GDP growth experienced by the borough being largely attributable to the sector;
- in the **physical environment**, with increased development and marked changes to the volume and types of commercial space available in the borough; and
- in **jobs**, with 40,000 banking and insurance jobs supporting 20,000 jobs in tier 2 and 15,000 in tier 3.

The importance of these large firms spending money locally should not be underestimated. Every pound spent within the borough is an opportunity for local enterprise and entrepreneurialism, which in turn supports a myriad of small and

medium enterprises, fuelled by both employee and corporate spending. It is this breadth and diversity which has the greatest potential to benefit borough residents.

### 2.5 Other Sectors of Growth

The dominance of financial services in Canary Wharf powers the borough economy but can also skew perceptions of other sectors. Proportionally, the borough is under-represented in sectors that typically make up the Central and East London economies, such as retail, tourism and 'other' services. Two key emerging sectors in the borough are tourism and leisure and creative services, both of which have significant potential for future growth. Taken together, they represent more evidence of the transition to a knowledge-based economy, which should prove more sustainable in the long term. It is also hoped that this more diverse economy will provide greater opportunities for local people through access to a variety of jobs at a range of skill levels.

#### Tourism, retail and Leisure

London is a global destination for tourists and the visitor economy was worth £14.2bn in 2007, accounting for 5.8% of London's economy. Tower Hamlets has a world-class tourism destination in the Tower of London, and the borough plays a reasonably significant role within the capital, with the 7th largest tourism economy within London – worth £454m per annum<sup>3</sup>. While the proportion of tourism-related activities (which includes parts of the service sector) in Tower Hamlets (4.6%) is lower than the Host Borough average (6.3%), the sector employs some 7,300 people.

Developing the tourism, retail and leisure sector involves a number of considerations, but it is clear that many core components are present, and simply require stitching together as part of a more coherent and communicable offer. There are real strengths in terms of:

- *Heritage* – Whitechapel Art Gallery, the Ragged School Museum in Mile End, the V&A Museum of Childhood in Bethnal Green, and the Museum of Docklands
- *Shopping* – high street and luxury brands at Canary Wharf, boutiques at Whitechapel and Brick Lane, and popular markets including Spitalfields, Columbia Road and Petticoat Lane
- *Cuisine and culture* – Curry Capital 2012 is one current initiative, capitalising on the distinctiveness and city-wide reputation of Brick Lane as a culinary destination

Focused marketing to sell the borough's attractions and uniqueness could help foster significant growth in this sector.

#### Creative industries

The designation 'cultural and creative industries' cuts across usual sectors to include many businesses which trade in intellectual property, such as advertising, architecture, arts, crafts, design, media, music, performing arts, publishing and software. The creative industries sector now accounts for about 25,000 jobs in the borough and represent a second plank in the transition of Tower Hamlets towards a modern knowledge-based, high-skilled economy.

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<sup>3</sup> (according to 2006 GLA figures)

Even excluding the design, craft, arts and antiques sub-sectors, the creative industries sector accounted for approximately 13.7% of local jobs in 2002, meaning that they contributed more to local employment than the education, health & social care sectors combined. Creative industries in Tower Hamlets have grown rapidly in the last few years and at a faster rate than average for London.

### **Social Enterprises**

Another growing category of business with significant potential in Tower Hamlets is social enterprise. Social enterprises are businesses that specifically aim to solve social and environmental problems; they tend to be focused on areas the market has avoided and to employ local people and distribute profits locally.

Available information – mainly anecdotal – suggests a substantial social enterprise presence in Tower Hamlets. There are significant examples of social enterprises in Tower Hamlets, some of which have a national profile. For instance, Tower Hamlets is home to the School for Social Entrepreneurs (SSE), itself a social enterprise, which offers training to those who are seeking to develop businesses with social benefit. Beyond the Barn, an initiative of the Bromley by Bow Centre, has incubated and launched 28 successful social enterprises since 2005, creating over 200 new jobs. While social enterprise may not be a large sector in terms of the number of enterprises, it is strategically important because of the opportunities it can create for local people. Socially focused businesses are more likely to be aligned to the needs of their communities and therefore have great potential to help achieve the aims of this Strategy. This mechanism is particularly timely for meeting social and economic objectives simultaneously, at a time when resources are limited and the economy is struggling.

The shift in focus towards social enterprise is a national trend. Since Tower Hamlets already has some strengths in this area, it makes sense for the borough and partners to look for ways to support this growth and development. Finance will help local social enterprises grow and scale, and access to it is as vital as for any business. The local context of financial and business support in Tower Hamlets gives the borough a competitive edge in this area. For instance, current work by East London Small Business Centre with community development finance institutions could be complemented by collaboration with larger financial partners. The banks have already made some positive steps in this regard, with the support of JP Morgan for Big Society Capital being notable. The potential is to do more with less, for the benefit of enterprise and residents.

### **2.6 An Enterprising Economy**

People in Tower Hamlets start businesses. The borough has the seventh highest number of business births within London and the tenth highest number of business deaths, consistently in line with Inner London averages. Despite a national downward trend from 2004 to 2008, Tower Hamlets is more enterprising in 2008 than it was in 2004. While business deaths in the borough in 2009 increased faster than in London as a whole (by 45% compared to 35%), the rate of business births remained higher than the London average. These figures suggest that, even in challenging times, the borough economy is vibrant and enterprising.

Levels of business starts within the borough are particularly high among the Black, Asian and Minority Ethnic (BAME) communities. The 2009 National Employer Skills Survey (NESS) shows that at least half the owners of, or partners in, Tower Hamlets businesses are BAME.

## Enterprise Strategy: *What's Happening*

On a more cautionary note, self-employment figures for the borough are lower than the London average, and this is especially true for men, where the gap is 3.1 percentage points. For every percentage point that Tower Hamlets moves closer to the London average, this would represent approximately 800 jobs. However, it should be noted that while nationally self-employment tends to be low skilled, within Tower Hamlets it is people with higher levels of skills and incomes that take this route.

Overall, then, Tower Hamlets residents start businesses, and those businesses operate across a full range of sectors, sizes and turnovers. While the number of self-employed people within the borough may be below the national average, the income and skill levels of those who are self-employed is far higher than average, meaning that self-employed residents are much more likely to be working in business services than lower skilled occupations. BAME enterprises are a particular source of vitality and the population is young<sup>4</sup> and increasingly well educated in the borough. There is clear potential in Tower Hamlets and harnessing all of these factors will support a competitive local economy and stimulate economic and employment growth.

### Key conclusions

Enterprise is strong in Tower Hamlets and the economic picture is broadly positive. There has been a major and long-term shift towards financial services. Financial services help to fuel a cluster of other businesses, buying in services and supplies and spending money locally, including through their employees. This in turn creates opportunities for a broad range of business services. Functionally, Tower Hamlets is now part of the central London economy.

These changes bring some tensions, as traditional sectors continue to decline, but new opportunities exist. Besides financial and business services, tourism, creative industries and knowledge-based industries are growth sectors which are not directly part of the financial and business services cluster and offer greater diversity. Tower Hamlets has a higher than average level of business starts, indicating that there are enterprising local people.

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<sup>4</sup> 64.5% of borough residents are aged from 16-49, compared to the London average of 54.8%, or the national figure of 47% (ONS, Resident Population Estimates by Broad Age Band for the period June 2009)

## 3. Who's who in relation to Enterprise

### 3.1 Stakeholders and Contributors to the Tower Hamlets Enterprise Economy

Enterprise within Tower Hamlets is not homogenous. Although the economic context of Tower Hamlets is shared by all organisations in the borough, how it affects them can be very different. The businesses that work within the borough cover a broad spread of sectors, range in size from sole traders to large multinationals and require different means of support and accommodation by the borough in order to thrive. Understanding the differences between types of enterprises can help the Council and partners to shape appropriate responses.

Similarly, there are a variety of other organisations that are stakeholders in the Tower Hamlets enterprise economy, from banks and enterprise support agencies to higher educational institutions and the third sector. All of these bodies have a stake in a successful Tower Hamlets and a role to play in supporting borough businesses. This section is intended as a framework for understanding the diversity of the current enterprise economy; it describes the roles and activities of enterprises, support organisations and of the Council with regards to the borough enterprise economy.

### 3.2 Types of enterprise

The table below suggests four main types of enterprise which are found in the borough, which are grouped together by characteristics such as size and market to help analysis, including the Council's relationship with them. It should be noted that these categories are imperfect generalisations, designed primarily to help shape appropriate policies, and that there is some overlap between them. Categories attempt to combine the markets served, the perception of Tower Hamlets, and engagement needs by the Council and support agencies.

# Enterprise Strategy: *Who's Who*

Table 3.1: Categories of business in the Tower Hamlets economy

Categories of businesses	Market served	Why enterprises are located within Tower Hamlets
<b>Global financial services:</b> big banks and other global financial services	Worldwide	Suitable locations in Canary Wharf and the City Fringe – these types of business require central locations in major world cities
<b>Business services enterprises:</b> businesses which tend to cluster with the financial businesses – for example legal firms, data processing businesses, and businesses whose profitability largely depends on a central London location – for example, accountants, branding agencies and architects	Enterprises across London and the UK, but especially those in Canary Wharf and the City Fringe	Within easy reach of clients in the City, the City Fringe and Canary Wharf, Tower Hamlets is seen as a central London location, and commercial rent levels are somewhat lower than other parts of central London
<b>Local community-facing enterprises:</b> businesses which directly provide goods and/or services to Tower Hamlets residents	Local residents	To be accessible to residents and communities within the borough – mostly located in town centres. Also includes many social enterprises.
<b>Traditional sectors: surviving businesses from prominent sectors of traditional importance in the Tower Hamlets enterprise economy</b>	<b>Local, regional and sometimes international markets</b>	<b>Often surviving businesses from old enterprise clusters in Tower Hamlets: for example clothing/fashion and storage; or sectors such as construction, attracted by continual development in the borough.</b>

Each of these four business categories will now be considered in turn:

## Global financial services

Thanks to the development of Canary Wharf, Tower Hamlets acts as a significant extension to the financial hub of the City of London, and has consequently attracted a high number of multinational financial institutions. These businesses have worldwide markets and often highly specialised requirements, drawing staff from all over the world. In terms of advocacy and support, it is highly unlikely that the Council could provide effective support in safeguarding the competitive position of these businesses. Nonetheless, the Council's role as regulator is important, at least as far as planning is concerned. Here the principle should be to "do no harm", and, within

the planning strategic framework, to support the continued presence of banking and finance in Tower Hamlets.

Considering the vital role that banks and financial institutions play in the borough's enterprise economy, with the important clustering effect described in chapter 2, there is an important role the Council can play in representing the interests of these institutions to national Government. The views of the management of these businesses, along with all other local business views, should be sought to ensure that the Council is acting effectively as representative of the local enterprise economy in policy formation at different levels, with the London Mayor's economic development policies being particularly significant.

This Enterprise Strategy is concerned with the kind of benefit which local enterprises can provide, as much as the benefit which they can receive. Global financial businesses have a vital role as a potential supporter of local businesses. Their buying power for goods and services is comparable only to the Council and other large public agencies, and indeed this is one reason why business service enterprises are increasingly located in Tower Hamlets. Through Corporate Social Responsibility (CSR) programmes, these large businesses can also take part in community-support activities such as encouraging their employees to act as business mentors. In this sense, it is hoped that global financial businesses can collaborate with the Council to provide effective support to the local enterprise economy.

Another significant role that these enterprises can play in the borough economy is as employers of local residents. Although global financial businesses draw their workforce from a large area, the sheer number of employment opportunities provided by these businesses means that every effort should be made by the Council to encourage them to take on local people, and for the Council to support local residents in becoming ready to take on such employment. This is primarily dealt with in the Employment Strategy.

### **Business services enterprises**

The business services sector is a highly significant part of the Tower Hamlets economy, with by far the largest number of enterprises and the second highest number of jobs in the borough. Although the category is a somewhat all-encompassing designation, there are several common characteristics of many of these businesses, which are useful to draw out here.

Within Tower Hamlets there are a range of business services enterprises that are attracted to the borough, either as part of the 'cluster effect' around the banks and financial intermediation businesses, or due to the borough's location as part of the Central London Business District, or both. They provide a wide variety of different business activities: professional services, accountancy, advertising, recruitment, ICT, real estate, graphic design, and data businesses, to name but a few. These are businesses that have significant London-wide scope, but are drawn to the borough in part by the proximity of potential clients in Canary Wharf, the City Fringe and the City itself. Businesses in this category vary in size, but are much more likely to be Small- to Medium- sized Enterprises (SMEs) than those in the previous category.

Thanks to the diverse nature of these businesses, growth within this category will lead to employment opportunities for local people that are much wider in scope than those provided by global businesses alone. Understanding and representing these sectors is therefore of particular importance given their increasing presence in Tower

Hamlets and the benefits which they can provide for local residents. Specifically, the Council can take a supporting role for businesses in these sectors by:

- encouraging the increased development of a local procurement network in which businesses can engage as both purchasers and suppliers;
- working to ensure a sufficient supply of flexible workspace for new and growing small businesses;
- supporting the Government's Tech City proposals as a way of developing a concentration of new businesses and networks in Tower Hamlets; and
- coordinating business advice and support services.

### Local community-facing enterprises

Although a significant body of businesses relate primarily to finance and business services, there remains a substantial proportion of enterprises that are based within Tower Hamlets because they provide services specifically to borough residents. This category consists primarily of retail firms, but will also include professions which support these businesses, such as small accountancy and legal firms, as well as services for residents, for example, mechanics and residential estate agents.

Of all the categories used here, this one is in some ways of most direct use to local residents, providing a wide range of entry-level jobs along with necessities for purchase. Mostly SMEs, these businesses can benefit significantly from good business support services, and, since many are located in high streets, they benefit from Council policies specifically targeted at town centres. Successful support for such businesses will in turn support economically successful town centres, and therefore help achieve Town Centre Spatial Strategy objectives.

Certain businesses in this category – the restaurants in Brick Lane, the shops in Bethnal Green Road and the Columbia Road flower market, for example – now draw people from all over London and are gaining a reputation as destinations for tourists. It is hoped that the Olympic and Paralympic Games will bring an increased focus on the East End which these businesses will be able to capitalise on.

### Businesses in traditional sectors

Historically Tower Hamlets has been a largely industrial region, with the docks, warehouses and factories along the Thames and River Lea acting as the borough's most significant employer. While there has been a pronounced transition away from these heavier industries within the last 50 years, there are still significant employers within the borough from these more traditional sectors. Storage, wholesale and distribution businesses were particularly prominent at a time when the docks operated in the borough, and the borough has also had a long association with clothing manufacture and fashion, linked to cloth import from the docks, and the exclusion of certain preparation processes from the City of London in past centuries.

The defining characteristics of these businesses are a combination of historical location and, often, a requirement for a large footprint. Most of these enterprises do not specifically serve borough residents and businesses although some, like construction firms, sit within this category and are attracted by the continued high levels of development within the borough.

Businesses within this category provide somewhere in the region of 10% of employment within the borough, and are therefore significant to the future of the borough economy. However, the dense nature of Tower Hamlets, combined with a shift to higher value economic activities, means that land values are high and set to



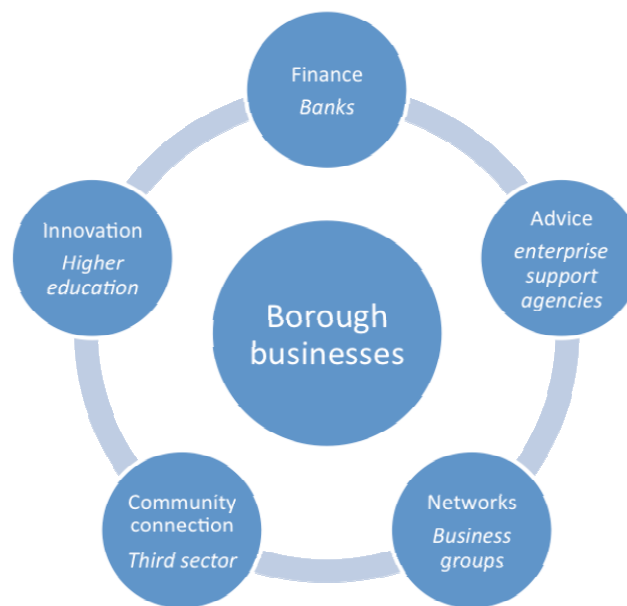
increase, which suggests that many of these firms will find it increasingly hard to remain competitive within the borough.

While the Council values and desires to support all employers within the borough, there is a recognition that many traditional sectors are experiencing significant transition, which may include a need to relocate to areas with less financial pressure. The Council and its partners need to strike a balance between supporting significant local businesses and recognising that a prosperous future for the borough needs to recognise long-term changes in the nature of the economy and land use.

### 3.3 Creating an environment for enterprise to prosper

This Strategy is shaped by an understanding that some agencies including the public and third sectors have an important role to play in supporting enterprise and reinforcing its benefits for local people. The following types of organisation all have a role to play in creating a supportive environment for businesses within the borough. (*Note: the words in italics in the diagram are examples of organisations in each category.*)

Fig 3.1 - The Business Support Environment



#### Enterprise Support Agencies

Enterprise support agencies operate at a variety of levels, including national, regional and local bodies. They are a valuable to enterprises at various stages of the business cycle, providing information, guidance, networking and sometimes avenues to financing.

At the sub-regional level, there are two main enterprise support agencies operating within East London. These are:

- **The East London Small Business Centre (ELBSC):** based in Brick Lane, this is the oldest surviving business support agency in the UK. It facilitates 300 new businesses starts, trains 1,000 people, and lends £2 million in funds to entrepreneurs each year across five east London boroughs: Tower Hamlets, Newham, Havering, Redbridge, and Barking and Dagenham.

- **East London Business Place (ELBP)** is a supply chain development programme allied to a contract brokerage service led by Canary Wharf Group plc and supported by the East London Business Alliance (ELBA). It provides a free matching and sourcing service, connecting buyers and suppliers to maximise local business benefit from new developments and commercial precincts in east London. In particular, ELBP has, since 2008, helped Tower Hamlets based SMEs secure almost £38m of business and has helped more than 350 Tower Hamlets SMEs reach 'Fit-to-Supply' status through flexible 1-2-1 and one-to-many support activities.

ELBA, which operates across the sub-region, also runs a number of projects that are relevant to the local enterprise economy – notably in providing networking opportunities for local businesses and in facilitating a transfer of skills to social enterprises.

There are also capable support services based within the borough. Non-statutory provision locally comprises small and medium sized third sector business support agencies, such as Account 3, the Bromley by Bow Centre (particularly for social enterprises), the Spitalfields Small Business Association and the Cultural Industries Development Agency, and the Tower Hamlets Cooperative Development Agency, to name but a few. These bodies have a significant role to play within the borough, although some are vulnerable to reductions funding.

### Business Networking Groups

Business Networking Groups help the borough to put forward a strong enterprise voice and contribute to a better understanding of the support needs of businesses in different stages of the enterprise lifecycle. Some have a tighter local focus, such as Brick Lane Business Association or Docklands Business Club, whereas others like Business Junction cross borough boundaries. Linking businesses together provides opportunities for learning and collaboration, and cross-sector groups can help develop the borough internal market and even foster new areas of business.

### The Third Sector

The third sector in Tower Hamlets is well established and has particular advantages in the delivery of certain types of services, including those which seek to promote enterprise among hard to reach groups. Many third sector organisations are committed to encouraging enterprise starts among residents as a means of overcoming poverty and deprivation. And many third sector organisations themselves are interested in adopting social enterprise models to help their service users and diversify their incomes. Some of these could be in a position to offer services to businesses and public sector agencies in Tower Hamlets. While it is acknowledged that there can be an element of caution in interactions between the private and third sectors, there are many significant opportunities for cooperation which would benefit the aims of both.

### Higher Education Institutions

The borough's higher education institutions have a critical role to play in driving a knowledge and innovation based enterprise economy in Tower Hamlets, through the generation of ideas and the provision of a skilled, highly-qualified workforce. There are two universities in Tower Hamlets: the whole of Queen Mary, University of

London, and part of London Metropolitan University. Both universities have seen a significant increase in research grants and private contracts in recent years, with research at Queen Mary now worth over £60m a year.

In terms of enterprise development, knowledge transfer and innovations hubs, the Higher Education institutions have a very important role to play in fostering innovation among businesses and in the commercialisation of research. Among other business related activities, Queen Mary has three main initiatives which seek to engage with business in support of the knowledge economy. These are:

- **Queen Mary Innovation** – provides a range of support to businesses including research collaborations, technology licensing, graduate placements and spin-out activities.
- **QUEDOS: Enterprise and Development Opportunities** – offers professional development courses and opportunities for networking and engagement with likeminded individuals and businesses
- **ImpactQM** – a knowledge transfer project aimed at creating a new generation of science and technology graduates, who are as at home in the world of business and enterprise as they are in science and technology

While much of Queen Mary Innovation work over the next few years will be focused on biotechnology applications, a growing body of knowledge and innovation is in the interests of the whole borough economy, and links between borough businesses and higher education institutions should be encouraged.

### Banks

Aside from being businesses in their own right, banks are vital to the functioning of business, as the basis for transactions and a source of finance. Banks provide local businesses with a useful source of enterprise advice, and may offer additional services to support businesses, as a means of helping their customers grow. As a home to many significant multinational financial institutions, Tower Hamlets has the opportunity to attract significant inward investment from the financial sector. Models of finance with social and community aspects should also be encouraged.

### 3.4 The role of the council

While the vast majority of businesses within Tower Hamlets operate largely independently of the Council, there are a number of functions the Council provide that influence the local enterprise economy. Some of these are more or less specific to the Council as a public, democratically accountable body with statutory responsibilities, whereas others are shared with other agencies. In all cases, the Council can discharge all these functions in a way which supports, or discourages, business activity.

The Council's main functions with regard to enterprise are:

1. **Representational:** representing the local enterprise economy in public policy formation
2. **Procurement:** ensuring that the Council as customer of goods and services acts in a way supportive of local enterprise and sets an example which other organisations are encouraged to emulate.
3. **Regulatory:** using its regulatory responsibilities in a way which supports the local enterprise economy. Especially important is the Council's role as

planner and building regulator. The Council's planning strategies are of fundamental importance to how the enterprise economy develops.

4. **Information provider:** providing information that is of use to local entrepreneurs and businesses, and to businesses which may relocate to the borough. Through its Enterprise Team, the Council is also in a good position to collect information about potential means of support for local enterprises, and to decide how this information is used and publicised for the benefit of Tower Hamlets enterprises.
5. **Partnership work:** facilitating joint working between agencies to provide practical support to local enterprise, and ensuring that joint working leads to effective results.
6. **Asset provider and manager:** using physical assets such as office accommodation to support local business development. Letting out surplus office space or arranging for office facilities for start up businesses is one way to provide a good setting for business.

Overall, therefore, the Council can bring significant additional resources to bear in order to implement the Strategy. This includes negotiations with developers in order for them to provide flexible workspaces for SMEs; ensuring the Council's procurement strategy maximises opportunities for local businesses; or enhancing the quality of the borough's town centres and markets.

### Key messages

There are different types of business which have different characteristics and therefore require different responses from an enterprise strategy. Four types of business are outlined. Within Tower Hamlets there are also services which exist to support enterprise, for instance through providing finance and advice, and this includes a particular role for the Council. Generally speaking, the borough and partners have a greater role to play in supporting enterprises which are more locally focused in terms of the markets they serve and/or the people they employ.

## 4. Challenges

Whilst there is much vitality in Tower Hamlets' economy, there are significant challenges to its ongoing success and diversity, and residents' involvement in it. This section sets out five problems facing the borough's enterprise economy which also affect residents and need to be addressed by this strategy. These five, considered in turn below, are:

1. The skills gap between residents and borough businesses
2. Relatively low rate of self employment
3. Limited resources for business
4. Underperforming town centres
5. Lack of suitable workspace for small businesses

The Council and partners need to understand and respond to these issues for the benefit of borough businesses, both new and established, as well as local residents.

### 4.1 The Skills Gap – Residents and Borough Businesses

As noted above, Tower Hamlets has the fifth highest job density in London but the majority of jobs are filled by people from outside the borough. Although this large net inflow of workers is unsurprising given the scale of economic development in the borough, it is of concern that many residents remain excluded from the benefits of economic change and growth.

#### Skills, qualifications and the struggle to compete

This local employment gap reflects a mismatch between residents' skills and the jobs available in the borough<sup>5</sup>. Although barriers to work tend to be multiple and complex, skills are a key predictor. A quarter of borough residents – twice the London average – have no qualifications and over 40% of these are not in work. In contrast, a third of residents are qualified to degree level or above, which is consistent with the London average. With fewer residents at intermediate skill levels than is typical for London, there is thus a polarisation of skill levels within the borough. Borough residents at lower skills levels are significantly less likely to be in employment than the London average.

A similar polarisation exists in the borough's jobs market. There are high numbers of entry-level jobs and a relatively high number of extremely well paid jobs, but opportunities for progression between these are limited. The borough's Employment Strategy explicitly aims to increase the employment rate in Tower Hamlets so that it converges with the London average. Plans are in place to help with the supply side of labour, but the demand side of enterprise can also be part of the solution.

#### Business needs a broad spectrum of skills

The borough's low skills level also impacts businesses. Residents' exclusion from the labour market limits their spending power, which in turn reduces further the potential for growth and employment of those businesses that serve a local market.

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<sup>5</sup> The Employment Strategy provides a much fuller treatment of this point.

## Enterprise Strategy: *Challenges*

More broadly, businesses require a diverse range of skills to meet positions at different levels. This varies depending on the sector, but it is clear that a lack of basic skills in the local labour market is limiting the capacity of smaller businesses, in particular, to access the skills they require. In a survey conducted as part of the LEA, about a fifth of businesses reported recruitment difficulties, with the common barriers being identified including language, a lack of basic skills, and shortage of higher-skilled workers. Whilst, by extension, many businesses do not struggle to recruit, there are nonetheless clear indications that the skills gap impairs the business environment and disadvantages residents.

These findings are reinforced by the 2009 National Employer Skills Survey for England. This reported that, where employers in Tower Hamlets do have difficulties filling vacancies, nearly all (95%) state that this is because of skill shortages rather than other reasons. This compares with the London average of 86% and 76% across England. Again, the principal issues identified were language barriers, a lack of basic skills, and a shortage of higher-qualified workers. This suggests that in addition to the difficulties of firms in attracting individuals with very specific skills, there is a more fundamental issue in the middle of the labour market, where jobs which would typically be filled by local residents are not being filled, due to the lack of basic and intermediate skills among the resident population.

### **The role of the Enterprise strategy**

The evidence above presents two related issues:

- the borough's skills gap, with a high proportion of local residents lacking even basic skills
- the predominance of job opportunities that are either at entry level or require a very high level of skills – with relatively little in between.

Tackling both these issues will have benefits for both businesses and residents. The Employment strategy suggests how the Council and its partners can improve residents' access to jobs by raising their skills levels. The challenge for this Strategy is to support enterprise, encourage growth and support a diverse, sustainable business base that generates employment within the borough and that local people can access.

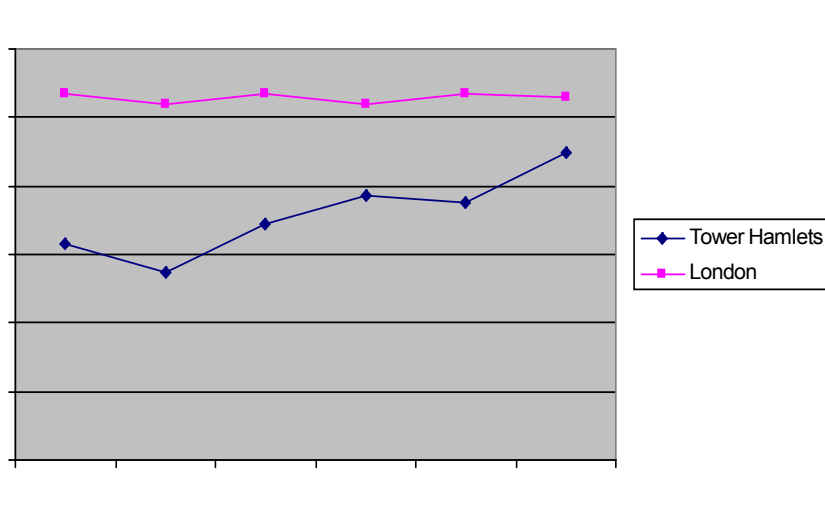
## 4.2 Relatively Low Rate of Self-employment

Self-employment should be treated with some caution as an indicator of entrepreneurialism. The LEA makes a distinction between “enterprising individuals” who start self-employed and grow a company, and the many people who become self-employed simply because it is their best option when they fail to find a conventional job. The former category may go on to generate jobs and wealth and therefore create a wider economic benefit. The latter, the LEA argues, may add relatively little in terms of wealth creation to the wider economy, but in ceasing to receive benefits and starting to pay taxes, there is a clear social value and cost savings for the state. This is of particular relevance for Tower Hamlets, where unemployment rates are relatively high.

### Self-employment in Tower Hamlets: strengths and weaknesses

Currently, self-employment rates in Tower Hamlets are lower than the London average. In 2010 9% of the working age population in the borough, or 16,400 people, were self-employed, compared with 10.6% across London<sup>6</sup>. But as figure 3.1 shows, this represents a significant increase in the borough over the last five years – the equivalent figure for Tower Hamlets in 2006 was 5.5% – in a period when the London rate has remained stable.

Figure 4.1 – Percentage of working-age population who are self employed



A much larger gap exists between the male self-employment rate for the borough and that for London as a whole. In 2010 11.5% of men aged 16-64 were self-employed in the borough (10,900 people), as against 14.6% across London. The male self-employment rate has also risen more slowly than the whole borough working age population: between 2006 and 2010, while the borough rate grew by nearly two thirds the increase in the male rate was only 40%.

By contrast the female self-employment rate in the borough was in 2010 almost the same as for London (6.4% in Tower Hamlets against 6.5% in London). The rate has

<sup>6</sup> All self employment data from ONS Annual Population Survey, for 2010 unless specified.

increased rapidly over the last five years, more than doubling from 2.7% in 2006. Interestingly, the figures for women *in employment* who are self-employed (as distinct from a percentage of the wider 16-64 population) are rather higher in Tower Hamlets, at 13.4%, than the London-wide figure of 11.2%.

The picture painted by the evidence is therefore mixed. On the one hand, self-employment appears to be underperforming in Tower Hamlets, in terms of its contribution to the borough's enterprise economy and specifically in its contribution to employment. For example, the above data suggests that had the 2010 self-employment rate in Tower Hamlets matched the London-wide level, an additional 2,900 people would have been self-employed. On the other, there has been a significant increase in self-employment rates in the borough in recent years, particularly among women, and female self-employment rates are relatively strong.

### **The role of the Enterprise strategy**

The evidence suggests some clear strengths and weaknesses in relation to self-employment in the Tower Hamlets. The challenge is for the Council and business support agencies to target provision in a way that tackles the identified weaknesses while building on the strengths. This should aim to maximise the contribution in tackling unemployment, but also to ensure support for entrepreneurs to make the transition from self-employed sole trader to a larger business. This will require some more detailed analysis in order to build a fuller picture of the factors underlying this data– as well as variations between different groups, for example by gender and ethnicity.



## 4.3 Limited Resources for Business

Businesses can benefit from a wide range of support and resources at different points in their lifetime. This can include start-up, working and development capital, expert advice and mentoring, premises to operate from, legal and accountancy services, access to different supply chains, protection for their ideas and opportunities to scale up the scope of their activities. Advice and guidance are also important, especially in terms of regulations, accessing new markets and employment issues. These needs are of particular relevance to entrepreneurs, start-ups, SMEs and businesses seeking investment.

Enterprise support services are available at national, regional and local level. Although the quality of enterprise services is sometimes very good, the coverage of services available is patchy, and the situation is getting worse.

### Reducing enterprise support

The national and London-wide picture is one of a general retrenchment of publicly-funded business support at a time of financial stringency. The Department of Business, Innovation and Skills (BIS) is in the process of streamlining the provision of Enterprise and Business Support services. Business Link is moving to a web- and telephone- based resource, at a time when support agencies in the borough have stressed the importance of face-to-face contact.

As with national provision, recent funding cuts have also adversely affected ELSBC and ELBP, forcing them to re-examine their roles and functions. Furthermore, despite the presence of capable support services based in the borough<sup>7</sup>, many from the third sector, have come under strain as a result of public sector cuts and increased competition for funding.

### Restricted finance for business

A significant barrier to new business opportunities within the borough continues to be the perceived restriction on business finance, especially for small businesses.

In principle, a large range of institutions could provide finance of different sorts for enterprise in Tower Hamlets. Commercial banks are one source, but in spite of pressure on banks from the government and the Bank of England, credit is still reported as being a major challenge for smaller businesses and start-ups. Other lenders include community development finance institutions (CDFIs) such as credit unions and microfinance, and equity investors.

There have also been sources of community funding within the borough, including a social venture capital fund and microfinance arrangement implemented by Planet Finance in 2008. More recently, the East London Small Business Centre and the GLA-funded Gateway to Finance project have made £500k available in loans to Tower Hamlets businesses. Whilst these are positive initiatives, they are not likely to be sufficient to meet demand from local business.

Tower Hamlets residents can also face particular difficulties in accessing start-up finance. High levels of economic exclusion mean that residents have low levels of income and assets, and can struggle to access debt finance through traditional

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<sup>7</sup> such as Account 3, the Bromley by Bow Centre (particularly for social enterprises), the Spitalfields Small Business Association and the Cultural Industries Development Agency

means. Informal sources, primarily friends and family, may provide an alternative means of finance and it has been suggested that this is particularly prevalent among the Black and Minority Ethnic communities. But this option will not be available to everyone. Making finance available in sufficient quantity on suitable terms, combined with advice to help entrepreneurs deploy it well, could significantly improve the environment for new and existing businesses. Conversely, the absence or weakness of these factors is a significant source of concern.

### **The role of the Enterprise strategy**

Business support provision is under increasing threat, owing to funding reductions and uncertainty about future funding. It cannot be assumed that comprehensive, publicly funded business support services will continue to be available at a national or London-wide level. And while sub-regionally there are clearly valuable initiatives and critical partners, these services have finite resources and are probably not sufficient to fully meet local needs.

In addition, there are signs that the sources of finance for enterprise in Tower Hamlets may be limited, and constraining business operation and expansion. Work needs to be done to fully understand the current picture and plan accordingly.

Consequently, it is more important than ever to ensure that the scale and nature of business requirements – in terms of both support and access to finance – are clearly understood, so that scarce resources can be targeted in the most efficient way to fill gaps in provision and avoid duplication. This Strategy can help to provide a framework for the coordination between the Council and local and sub-regional providers that such an approach will require.

## 4.4 Underperforming Town Centres

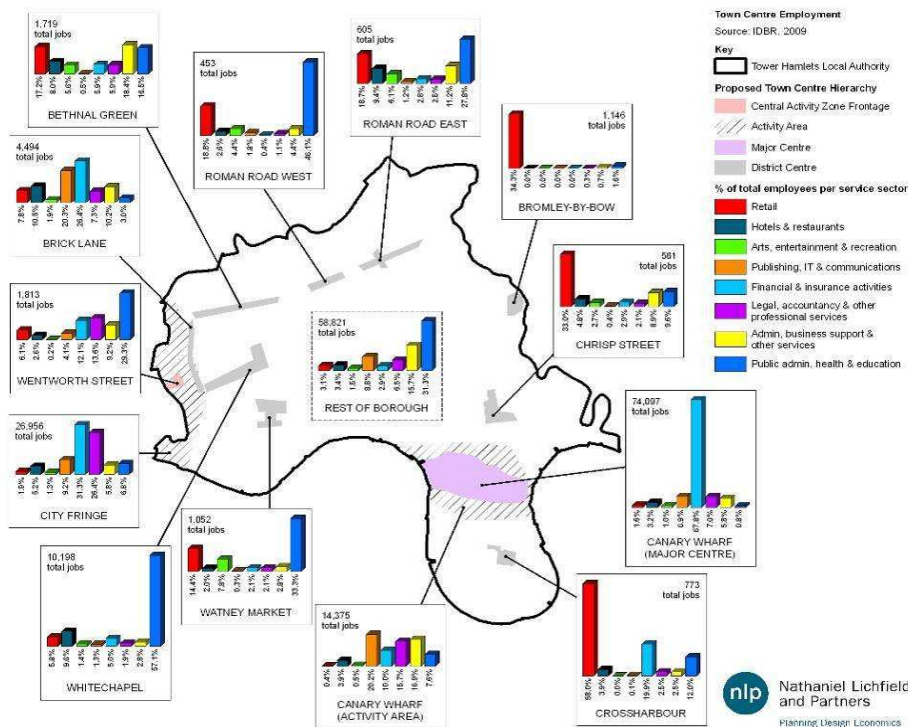
Tower Hamlets' town centres have a significant contribution to make to the borough's economic development and regeneration. Typical town centre uses, particularly in the retail sector, can be more resilient to economic downturns, and generate flexible local jobs that are appropriate for a range of skills levels. Town centres could also provide smaller office space, which is in short supply in the borough.

### Achieving critical mass?

Historically, rapid industrialisation in East London led to the absorption of the small hamlets to the east of the City, explaining why there is a distinct lack of definable quality town centres in the borough. This history, combined with the post-war slum clearances and construction of social housing estates, has meant that the borough has remained fragmented, with few town centres achieving critical mass.

As a consequence, the borough has a very limited provision of retail and smaller office space. This, in turn, makes Tower Hamlets a less attractive location for new, growing or relocating enterprises. It also means that spending in the local economy generated by increased population levels is not being capitalised upon and job creation is not optimised.

Figure 4.2 – Town Centre Employment by Service Sector



Source: IDBR, 2009 / NLP analysis

This point is borne out by evidence in the LEA, which demonstrates the variation in economic performance between the borough's town centres (see fig 4.2 above). Jobs in the borough are highly concentrated in just two locations, with around 75,000 jobs located in Canary Wharf major centre and 27,000 in the City Fringe. By contrast, the borough's nine district centres combined provide about 21,000 jobs – less than a third of the number in Canary Wharf. Of those, almost 70% are in two district centres

in the west of the borough, Whitechapel and Brick Lane. Whitechapel in particular has potential for regeneration, and with the recent opening of the East London Line and Crossrail to come, it is likely to experience an increased flow of people. The opportunity this creates is significant, especially combined with the move of the Royal London to the new hospital and the ensuing opportunity for regeneration in the area. Ensuring that development is appropriate to the needs of smaller business, residents and in-commuters, as well as larger enterprises is fundamental to the area succeeding as a town centre.

### **The role of the Enterprise strategy**

Town centres are vital in making opportunities in the local enterprise economy accessible to local people. But while Canary Wharf is home to the UK's second largest business district, as well as a major shopping centre, other local town centres face particular challenges. Improving the performance of the borough's town centres has the potential to retain more spending locally, support a more diverse economy in Tower Hamlets, and increase the number and range of jobs available to residents.

The Town Centre Spatial Strategy sets out a vision for the development of the borough's town centres over the next 15 years. There are two key ways in which the Enterprise Strategy can support the delivery of this vision, and help bring about the revitalisation of the borough's town centres – and in turn support a healthier and more diverse enterprise economy in Tower Hamlets.

The first, as part of the Council's role in coordinating business support services, is to ensure that provision meets the needs of existing town centre businesses – particularly in sectors such as retail, which provide a range of jobs for local people. The second is in encouraging a wider range of businesses, particularly SMEs, to locate in the borough's town centres and thereby to reinforce local town centre economies. This is partly about promoting the development of smaller office space in these locations, which is discussed in the next section.

## 4.5 Lack of Suitable Workspace for Small Businesses

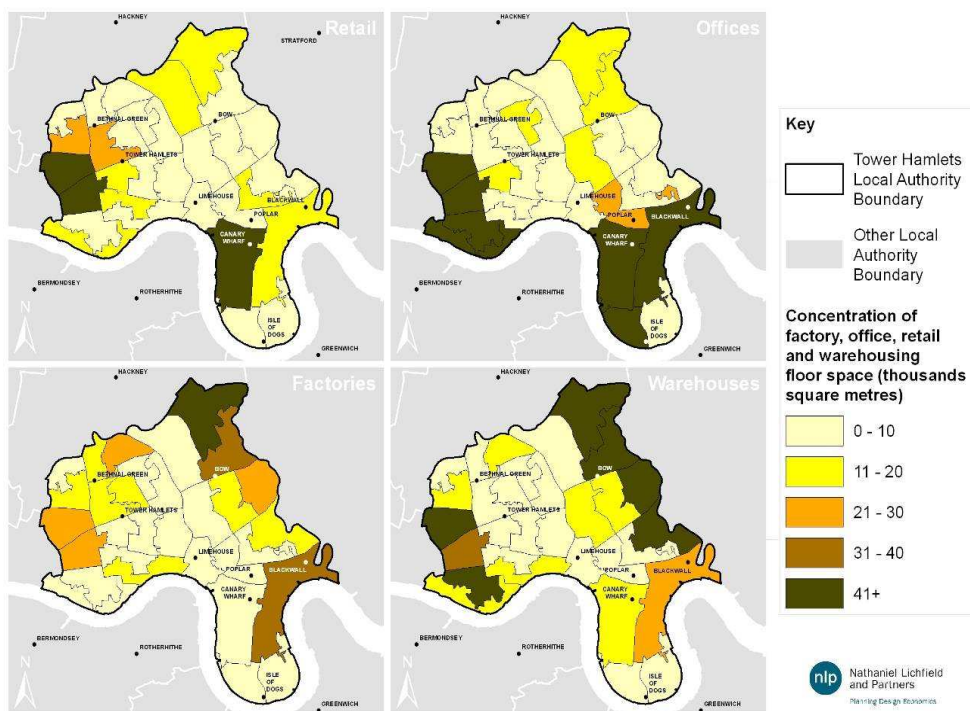
Tower Hamlets, at only 8 square miles, is a small, densely populated area that experiences significant demand for space use, and consequently high land values. These pressures have resulted in significant high-density development and competition between uses for available land. The pattern of high-density development within the borough, characterised by residential and commercial towers, leaves little appropriate or affordable space for smaller businesses.

### Changing employment spaces

With an 80% growth in office floorspace and a marked reduction in factories and warehouses within the borough (see section on “What’s happening”, above), the demand from higher value uses is likely to see this pattern of land use change continue for the foreseeable future.

Figure 4.3 (below) shows that different types of commercial floorspace are spatially concentrated. Retail and commercial is dominant around Canary Wharf and the City Fringe, with what factory and warehouse space remains being clustered at the Eastern edge of the borough.

Figure 4.3 – Spatial Distribution of Commercial Floorspace, by Ward



Source: Valuation Office Agency/NLP analysis

This concentration of retail and office space in relatively few parts of the borough limits the distribution of SMEs and start-ups and may mean that the borough is failing to maximise its local employment potential. At the same time, the decline of factory and warehouse space is likely to free up spaces for alternative uses and the borough needs to factor in the demand for commercial space, rather than focusing solely on housing and large floorplate offices.

## Demand for flexible premises

Both the quality and quantity of premises for small firms and start-ups within the borough is low. Canary Wharf and the City Fringe are amongst London's major office markets, where the available premises meet the requirement of larger firms. The rest of the borough does not pick up this slack and the provision of appropriate smaller office spaces is highly limited.

The business survey undertaken for the LEA identified premises, along with good public transport links and proximity to customers, as the most important factors for doing business within Tower Hamlets. Current sites and premises were generally viewed as "fit for purpose", although more affordable business premises were identified as one of two factors that would enhance business prospects in the borough. Most demand was indicated in the survey for premises up to 1,000m<sup>2</sup>.

In terms of smaller spaces, the LEA shows that although there is strong demand for B1<sup>8</sup> units under 100m<sup>2</sup>, they currently form under 2% of supply. The majority of available office space under 100m<sup>2</sup> appears to be located in the City Fringe, which attracts smaller businesses, followed by the Isle of Dogs, with a lack of provision in the rest of the borough. Suitable flexible and affordable workspace is therefore required in all parts of the borough, including the Central Area.

A significant minority (20%) of future growth in the borough is anticipated to be in micro or small enterprises (with small enterprises employing up to 49 people). If future supply of employment spaces continues recent trends, there will be a significant over-focus on large floorplate office developments, with limited provision of suitable workspace for micro and small enterprises. Meanwhile, trend data<sup>9</sup> shows that SMEs' requirements for space will be higher in 2020 than in 2010. This includes growth linked to the financial and business services cluster<sup>10</sup> and reflects the increasing importance of smaller businesses in the Tower Hamlets enterprise economy. Tower Hamlets SMEs have a propensity to higher year-on-year growth (source: NOMIS) than equivalent enterprises in London as a whole, emphasising the need for flexibility in the provision of business space.

In the absence of intervention small businesses in growth sectors may be forced out of Tower Hamlets to seek more suitable premises elsewhere. There is thus a need to safeguard and provide appropriate premises for SMEs through the planning system.

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<sup>8</sup> B1 classification includes non-financial service offices, light industrial and R&D functions, for spaces up to 235m<sup>2</sup>.

<sup>9</sup> Five Host Boroughs Strategic Regeneration Framework – Economic Model: Baseline Report (Oxford Economics, March 2010) – "Baseline Report"

<sup>10</sup> The additional employees in these two sectors employed in micro and small businesses will require almost 23% of additional office space in future years.

### **The role of the Enterprise strategy**

There is a shortage of supply of workspace for SMEs in Tower Hamlets, which risks pushing business start-ups and growing businesses out of the borough. These enterprises are vital for the strength of the local enterprise economy and could provide substantial employment opportunities to local people. Overcoming problems in the supply and availability of workspace suitable for small businesses is a crucial point for this Strategy.

Not only would a supply of flexible workspace support small and growing businesses, but, as discussed above, if such workspaces were to be situated in parts of Tower Hamlets other than Canary Wharf and the City Fringe, they could support the commercial viability of town centres in the borough. This Strategy can help to address this issue by promoting the development of appropriate workspace, particularly in town centres.

## 5. Objectives

### Summary

This section sets out detailed priorities for intervention to address the issues identified in the Problems section. Each of the strategic objectives here is based on the analysis shown in the previous chapters and are focused on meeting the overall aim of this Enterprise Strategy, which is to:

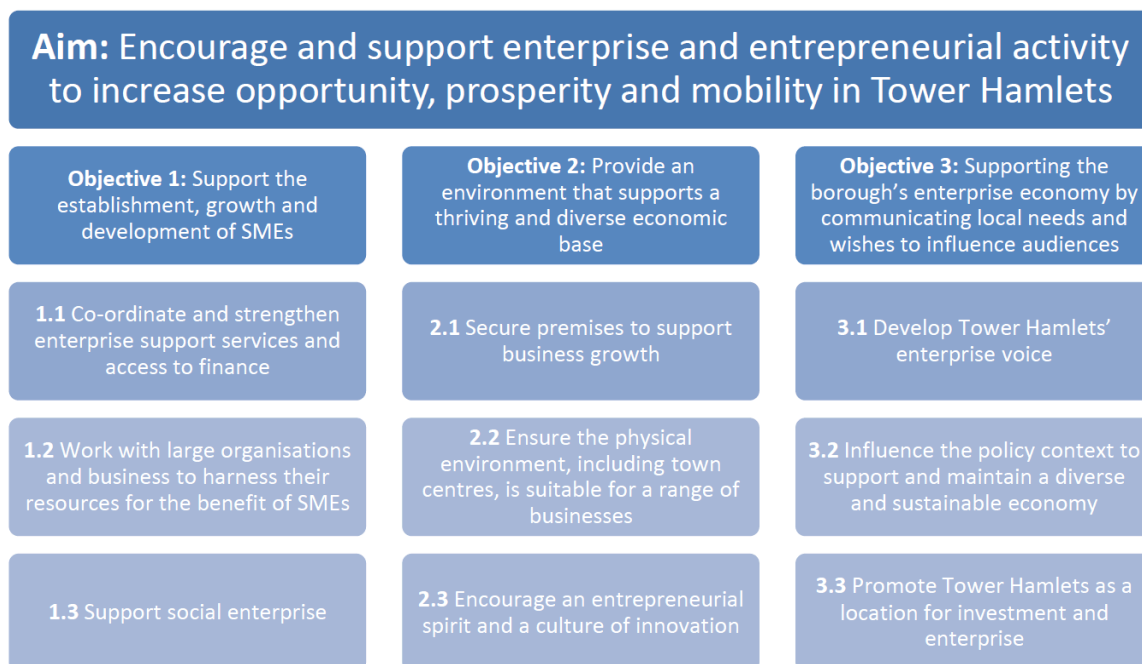
**Encourage and support enterprise and entrepreneurial activity to increase opportunity, prosperity and mobility in Tower Hamlets.**

Meeting this aim is a priority for both the Council and its partners, and will be achieved through the following three objectives:

- 1 Support the establishment, growth and development of SMEs
- 2 Provide an environment that supports a thriving and diverse economic base
- 3 Support the borough's enterprise economy by communicating local needs and wishes to influence a variety of audiences

Intermediate objectives have been developed for each objective to show how each objective is to be achieved, as shown in the diagram below. These are explained in the following sections.

Figure 5.1 – Outline of Aim and Objectives



Actions will be assigned to each objective as part of the annual Enterprise Action Plan, which is provided as a separate document.



## Objective 1: Support the establishment, growth and development of Small and Medium Enterprises

The success of the Tower Hamlets economy is rooted in the success of individual borough businesses. This strategic objective will help ensure that Small and Medium Enterprises (SMEs) can capitalise on the opportunities provided by the wider economy. Providing access to information and finance for borough entrepreneurs, especially those whose work has a clear social benefit, will also strengthen new and existing enterprises, which in turn add to the diversity of businesses in Tower Hamlets. Their growth prospects will be further enhanced by encouraging local procurement (as well as local labour on the part of developers) and recognising and encouraging the Corporate Social Responsibility activities of larger businesses.

<b>Problems met</b>	<ul style="list-style-type: none"> <li>• Limited resources for business, including support services and funding</li> <li>• Low levels of self employment</li> </ul>
<b>Role of the Council</b>	<ul style="list-style-type: none"> <li>• <b>Procure locally</b>, including through the Supply Tower Hamlets programme and its broader procurement policies</li> <li>• <b>Support local enterprises'</b> access to private and public supply chains</li> <li>• <b>Provide and promote information</b> to business owners who potentially wish to open or relocate a business in Tower Hamlets</li> <li>• <b>Ensure that regulatory services are helpful</b></li> <li>• <b>Facilitate joint working between agencies</b> to provide practical support</li> <li>• <b>Broker relationships</b> with business support services</li> </ul>
<b>Principal benefits</b>	<ul style="list-style-type: none"> <li>• Supported SMEs and social enterprises have better growth prospects. This will make the local economy more resilient and sustainable.</li> <li>• Local businesses are more likely to employ local labour and, where local sub contractors are appointed, they spend more in the local economy.</li> <li>• The amount of travel involved within the borough is reduced, increasing the overall sustainability of operations and physical development. Appointing suitable local sub-contractors can provide organisations with operational advantages, as well as contributing to the objectives of the Community Plan.</li> <li>• A range of support services can help firms to establish themselves in the borough, grow and innovate, which in turn will create jobs.</li> </ul>

## Intermediate objectives:

### **1.1 Co-ordinate and strengthen enterprise support services and access to finance**

It is critical that businesses have information about and access to the right mix of support services. This requires attention to:

- Build supply chain capacity so that local businesses can supply through procurement processes.
- Develop and maintain an effective network of business support agencies to strengthen and co-ordinate provision – this may include mapping out the range of services on offer and signposting new or existing businesses to support agencies. This will not only help businesses access the services they need more efficiently, it will also help to shine a light on gaps or overlaps in the provision of key enterprise support services.
- Improve access to advice on debt, equity and new forms of finance, particularly for groups who may be excluded from traditional forms of finance– the current economic climate is challenging, but there are still options available which will help new and existing businesses to grow and develop.

The contribution of local support services<sup>11</sup> will be critical to the achieving this strategic objective. Establishing a pilot network group to provide peer support for start-ups will be an early task within this strategic objective.

### **1.2 Work with large organisations and business to harness their resources for the benefit of SMEs**

Large organisations in the private and public sectors are in an influential position when it comes to awarding contracts, so encouraging them to procure locally, including from social enterprises, is a valuable means of recycling money within the local economy. With an increasing global focus on sustainable development and local sourcing of goods and services where economical, as well as Corporate Social Responsibility (CSR) policies, there is a good opportunity to enhance links between the borough's many large firms, the Council and other public sector agencies, with the plethora of smaller enterprises. Under this intermediate objective, the actions are to:

- *Establish relations with major corporate bodies* to identify and develop opportunities for mentoring, collaboration and partnership working with the borough's large businesses.
- *Ensure that the Council procures locally* within the regulatory framework. The Council's Procurement Strategy refers to the need to ensure that the Council's social objectives – including support for local businesses - are promoted through its procurement, and states that 36% of the Council's annual expenditure on goods

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<sup>11</sup> Including the East London Small Business Centre, the East London Business Alliance, East London Business Place, Account3, Spitalfields Small Business Association, CIDA, the Bromley-by-Bow Centre and Tower Hamlets Cooperative Development Agency

and services is contracted with businesses located in Tower Hamlets<sup>12</sup>. The Council wants to build on this strong base.

- *Ensure that developers in Tower Hamlets commit to procuring locally.* For all major developments, the Council will seek to secure 20% of the total value of contracts for goods and services during the construction phase to be procured from firms located within the Borough. This should be achieved within competition law, and in cooperation with Council nominated organisations such as Construction Line and ELBP.
- *Maximise supply chain and contracting opportunities for Tower Hamlets SMEs* arising from the large public and private sector organisations in the borough.

### **1.3 Support social enterprise**

As local businesses which tend to distribute their profits locally and reinvest them to achieve social objectives, social enterprises are particularly important. Under this measure, the Enterprise Team will:

- Map funding sources beyond the mainstream, including microfinance, CDFIs, and Big Society Capital. In future, this may include exploring the potential for links with Canary Wharf and the City Fringe.
- Ensure that business support services meet the specific needs of social enterprises, including legal structures and transparency, with particular reference to social enterprises which support the employment and entrepreneurial aspirations of residents in hard-to-reach groups
- Target social enterprises for procurement support activity

The Council also wishes to encourage existing initiatives, such as the work of the East London Small Business Centre in conjunction with the Community Development Finance Association, identifying capital to underpin local business loans.

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<sup>12</sup> Corporate Procurement Strategy 2009 – 2011

## OBJECTIVE 2: Provide an environment that supports a thriving and diverse economic base

Suitable premises – particularly for smaller business – in desirable locations, which includes Tower Hamlets’ town centres, are crucial to making the physical environment attractive to businesses. In addition, since businesses want capable people, fostering an entrepreneurial culture will help local residents achieve increasing success in making a living through employment, regardless of whether they set up their own business. And innovation, particularly through Tower Hamlets’ universities, creates an environment where new possibilities offer potential commercial returns. The combination of these factors will make for a diverse and thriving business context, connected to the boroughs students and long-term residents.

<b>Problems met</b>	<ul style="list-style-type: none"> <li>• Underperforming town centres</li> <li>• Lack of suitable workspace for small businesses</li> <li>• Skills gap between residents and borough businesses</li> <li>• Relatively low rate of self-employment</li> </ul>
<b>Role of the Council</b>	<ul style="list-style-type: none"> <li>• <b>Provide information relevant for local businesses</b> - Collecting feedback from local enterprises can help develop services which businesses themselves see as a priority.</li> <li>• <b>Utilise regulatory services</b> – especially licensing, food safety and environmental health – in a helpful manner to small businesses and start-ups.</li> <li>• <b>Use physical assets</b> (eg office accommodation) to support local enterprises, especially where they starting out</li> <li>• <b>Work through planning policy</b> to foster appropriate spaces and places for businesses</li> </ul>
<b>Principal benefits</b>	<ul style="list-style-type: none"> <li>• Providing suitable premises for the significant minority of enterprises with less than 50 employees will ensure that they are attracted to and remain in the borough.</li> <li>• An improved enterprise infrastructure strengthens local economic activity, which in turn creates more vibrant and attractive places, to the benefit of local residents</li> <li>• Residents of Tower Hamlets will be more likely to start businesses and will learn transferable skills from their exposure to enterprise</li> </ul>

## **Intermediate objectives:**

### ***2.1 Secure premises to support business growth***

While much recent growth in enterprises has concentrated on large companies with very large floorplate requirements, 20% of future growth is anticipated to be in micro or small enterprises (up to 49 people). Enterprises which would otherwise be located in Tower Hamlets will be forced to move from the borough if suitable workplaces are not available. Accordingly, the Council will use the planning process to secure the provision of flexible workspace within commercial developments, to mitigate the loss of such space through the development process, and to support new and existing SMEs in the borough

### ***2.2 Ensure the physical environment, including town centres, is suitable for a range of businesses***

Many of Tower Hamlets' town centres lack the scale and vitality to perform their role adequately for the communities and enterprises they support. This risks significant local spend being diverted from the local economy. The Council will:

- Ensure that enterprise considerations are at the heart of town centre regeneration, including at Whitechapel. It has an excellent transport infrastructure and could develop as an even stronger district centre with a diverse local economy
- Help to implement the Town Centre Spatial Strategy by encouraging initiatives which will develop the local enterprise economy. There may also be potential to use the Street Markets Strategy to improve the quality of the borough's markets, thus contributing to the vitality of town centre environments.
- work to better coordinate investment in town centres and to support the development of town centres with a balanced mix of uses;

### ***2.3 Encourage an entrepreneurial spirit and a culture of innovation***

Developing a culture of innovation is a key goal for this Strategy.

- Work with schools to encourage understanding and experience of entrepreneurship among young people. This could involve support for Your Enterprise initiatives.
- Work with higher education institutions to identify commercial opportunities linked to their academic expertise. This could lead to knowledge transfer, the establishment of new networks and support for spin-out companies.

There is also an important role for partner agencies and business groups here, as well as charities such as the Prince's Trust.

### Objective 3: Supporting the borough’s enterprise economy by communicating local needs and wishes to influence a variety of audiences

Tower Hamlets is a great location for enterprise, as evidenced by the rapid development of Canary Wharf and the City Fringe, but it is one location in a competitive national and international context. A combination of active promotion of the borough’s benefits, rigorous campaigning to ensure that these are maintained and improved, and active listening to stay abreast of the opinions of local businesses will ensure that the borough remains an attractive and competitive enterprise destination for generations to come.

<b>Problems met</b>	<ul style="list-style-type: none"> <li>Limited resources for business, including support services and funding</li> </ul>
<b>Role of the Council</b>	<ul style="list-style-type: none"> <li><b>Represent the enterprise interests of the borough</b></li> <li><b>Compete aggressively</b> for available public sector investment</li> <li><b>Influence policies</b> which affect enterprise at a London wide and national level</li> <li><b>Facilitate an entrepreneurial culture across sectors</b> – sharing experience of involvement in enterprise activity, however small in scale, can help people become more effective employees and citizens as well as business owners</li> </ul>
<b>Principal benefits</b>	<ul style="list-style-type: none"> <li>Success in achieving these aims will demonstrate that Tower Hamlets is an excellent place for business in London.</li> <li>Links between borough businesses will help develop a vibrant and inter-dependent local economy.</li> <li>A coordinated ‘voice’ for the borough increases the likelihood of attracting funding, capital projects and positive legislative changes.</li> </ul>

## Intermediate objectives

### **3.1 Develop Tower Hamlets' enterprise voice**

A key step in representing the interests of enterprise will be to develop the clarity of the borough's local enterprise 'voice'. The borough's business successes need to be championed and requirements articulated. The Council will:

- *Set up a pan Tower Hamlets business forum to represent the views of SMEs*
- *Ensure that the voice of local business is heard by government at local, regional and national levels*
- *Ensure that the Council's planning and regulatory functions take into account the needs of local enterprises*

### **3.2 Influence the policy context to support and maintain a diverse and sustainable economy**

The Council and its partners have an important role to play in promoting the borough, protecting its interests, influencing nationally and regionally and in ensuring that the policy framework supports borough business and enterprise. The Council will work closely with businesses, business groups, and with sub-regional partners to achieve the maximum positive impact of national policy changes. Actions and work streams will cover:

- *Research into the ownership of local enterprises and patterns of self employment across the equalities strands*, including issues identified within the Strategy such as variations in levels of self-employment between men and women. Research should examine their relative degrees of success, income and trends of growth or contraction
- *Position Tower Hamlets to take advantage of policy changes*, working with its partners to enhance the borough's lobbying capability and promote the borough's interests to ensure that Tower Hamlets has a strong voice in new and emerging structures and initiatives such as the pan-London Enterprise Partnership, the Host Boroughs' Strategic Regeneration Framework driving the convergence agenda, and the Government's proposed Tech City initiative in east London.
- *Compete aggressively for available public sector investment* - competition for public investment is likely to be fierce in coming years and the Council will need to work with partners to target funding and aggressively make the case for investment in the borough at regional national and European levels.

The Council and its partners have an important role to play in bringing partners together to maximise investment in enterprise support services in the borough.

### **3.3 Promote Tower Hamlets as a location for investment and enterprise**

It is important that opportunities for marketing and destination branding, including the established Curry Capital 2012 brand, are maintained and built upon, in order to support existing SMEs, maintain the borough's existing strengths as a location of choice for

## Enterprise Strategy: *Objectives*

financial and business services, and encourage diversification through investment from growth sectors such as creative and knowledge-based industries. Promoting Tower Hamlets as a location for inward investment, tourism and leisure, particularly in the run-up to the Olympics, will involve work with businesses and partners to provide a more focused approach to destination marketing. Initially, the Council will:

- *Develop a marketing plan to promote the borough* in line with the intermediate objective, highlighting its enterprise successes and its suitability for growth sectors



## Glossary

CDFIs	Community Development Finance Institutions
CSR	Corporate Social Responsibility
ELBA	East London Business Alliance
ELBP	East London Business Place
ELSBC	East London Small Business Centre
JSA	Jobseekers' Allowance
LDA	London Development Agency
LEP	Local Enterprise Partnership
SMEs	Small and Medium Enterprises
TCSS	Town Centre Spatial Strategy



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# **Tower Hamlets Enterprise Strategy**

## **Indicative Short Term Action Plan**

DRAFT



## Enterprise Strategy Indicative Short Term Action Plan

### Introduction

This Action Plan sits as an appendix to the Tower Hamlets Enterprise Strategy. The Enterprise Strategy, to which this Action Plan is an accompaniment, is the first to be developed in the past decade and therefore the Action Plan has had to give due regard to the [limited] resources available to support the delivery of Enterprise Activity especially as there has previously been no Enterprise function within the Authority. The Action Plan has also been developed in consultation with the Mayor's Office and with reference to the recommendations of the Overview and Scrutiny Panel review into SME Growth in the Borough which were accepted by Cabinet in October 2011.

Given that the Enterprise Strategy is the first for many years this Action Plan establishes two types of action which can be classified as *doing and reviewing*. Following consultation with the Mayor's Office the Action Plan has been prioritised and stream-lined into a series of actions that can be undertaken over the short term, consistent with the Strategic Objectives established in the Strategy, in turn enabling the development of a more detailed Action Plan going forward. It is intended that the Action Plan will be reviewed and amended on an annual basis, to ensure adaptation to circumstances and progression towards achieving the Strategic Objectives.

Actions are brought forward under each of the three Strategic Objectives established in the Strategy which are provided below:

### AIM/STRATEGIC OBJECTIVE OF THE TOWER HAMLETS ENTERPRISE STRATEGY

#### Strategic Aim:

The aim of the strategy is to:

*encourage and support enterprise and entrepreneurial activity to increase opportunity, prosperity and mobility in Tower Hamlets*

#### Strategic Objectives:

- 1 Support the establishment, growth and development of SMEs
- 2 Provide an environment that supports a thriving and diverse economic base
- 3 Support the borough's enterprise economy by communicating local needs and wishes to influence a variety of audiences

## STRATEGIC INDICATORS

This action plan proposes a series of doing and reviewing actions to support the objectives and intermediate objectives that are set out in the Enterprise Strategy. In order to measure progress over the medium to longer term following strategic indicators have been identified for tracking the overall impact of the strategy and the health of the enterprise economy in Tower Hamlets:

1. **Self-employment rate** – reducing the gap between Tower Hamlets and the London average.
2. **Proportion of SMEs taking on more staff** – maintain parity with the London average.
3. **Business births per 10,000 population** – maintain parity with the inner London median.

## Strategic Objective 1

Support the establishment, growth and development of SMEs

Intermediate objective	Actions	Tasks (implementation actions)	Rationale (review actions) or responsibility (implementation actions)	Targets and milestones	Reference to scrutiny review action plan
1.1 Co-ordinate and strengthen enterprise support services and access to finance	<p>Review existing business support services, including their funding effectiveness and sustainability. As part of the review, benchmark Tower Hamlets SME business support services with other London boroughs. Finally, as part of the review, conclude what needs to be in place to have fit-for-purpose support networks in Tower Hamlets.</p> <p>Develop improved information dissemination to SMEs to cover all aspects of business and financial support.</p>		<p>There has been a significant reduction in the public resources available for business support nationally and in London. The networks in Tower Hamlets are fragmented and not necessarily comprehensive. Therefore it is important that scarce resources can be targeted in the most efficient way.</p> <p>SMEs (particularly smaller/micro businesses) suffer information inequity and freedom to access pages will address such inequality.</p>	<p>Review completed by end of September 2012</p> <p>Web-based business information resource with comprehensive menu of services available by September 2012.</p>	<p>Recommendations 2 and 6</p> <p>Recommendation 2</p>

## Strategic Objective 1

Support the establishment, growth and development of SMEs

Intermediate objective	Actions	Tasks (implementation actions)	Rationale (review actions) or responsibility (implementation actions)	Targets and milestones	Reference to scrutiny review action plan
	Review government and banking sector initiatives and products aimed to provide access to capital and loan facilities for SMEs and how the council can help to coordinate resources for the benefit of Tower Hamlets SMEs.		Following the banking crisis and pursuant to finance for SMEs are becoming (and have become) increasingly prevalent, and thus understanding and being able to support SMEs access products and initiatives is important for SME survival and growth.	Review completed by end of September 2012	Recommendation 2
	<b>Implementation action 1.1.1</b> Develop and maintain an effective network of business support agencies to strengthen and co-ordinate provision	Bring together relevant key agencies as functioning network  Develop web-based business information resource with comprehensive menu of services available	Enterprise team	Business Support Network in place, March 2013	Recommendations 1,2 and 3.
	<b>Implementation action 1.1.2</b> Improve access to advice on debt, equity and new forms of finance, particularly for groups who may be excluded from traditional forms of finance.	Work with Business Support Network to map out available sources of business funding	Enterprise team	Business information web resource online, September 2012	Recommendations 3 and 6.
			Enterprise team	Information available on business information web resource, September 2012	Recommendations 3 and 6

## Strategic Objective 1

Support the establishment, growth and development of SMEs

Intermediate objective	Actions	Tasks (implementation actions)	Rationale (review actions) or responsibility (implementation actions)	Targets and milestones	Reference to scrutiny review action plan
	<p><b>Implementation action 1.1.3</b> Build supply chain capacity so that local businesses can supply through procurement processes</p>	<p>Work with East London Business Place to build SME capacity</p> <p>Continue implementation of Bishops Square procurement support project</p> <p>Promote Compete 4 supply chain initiative to local enterprises</p>	<p>Enterprise team, procurement team</p> <p>Business Support Network, East London Business Place</p>	<p>£2.3m in value of contracts won by businesses within the Bishops Square Procurement Support Project catchment zone by end of March 2012</p>	<p>Recommendation 3</p>



## Strategic Objective 1

Support the establishment, growth and development of SMEs

Intermediate objective	Actions	Tasks (implementation actions)	Rationale (review actions) or responsibility (implementation actions)	Targets and milestones	Reference to scrutiny review action plan
1.2 Work with large organisations and business to harness their resources for the benefit of SMEs	Review the economic influences and drivers exerted by nationally and regionally significant business centres at the City Fringe, Canary Wharf, and Olympic Zone to determine supply chain structures and needs to support the development of opportunities for Tower Hamlets SMEs.		Tower Hamlets is in a unique position, enjoying a strategic location located between nationally and regionally significant employment poles of the City, Canary Wharf and Stratford City/Olympic Zone. Capitalising on the potential business opportunities for local (and incoming) SMEs can support a diverse economic base which provides a range of employment opportunities for local residents.	Review by the end of March 2013	Recommendations 3 and 12
	<b>Implementation action 1.2.1</b> Ensure that the Council procures locally within the regulatory framework	Set up a working party between the Council's Enterprise and Procurement Teams	Enterprise and Procurement Teams	First meeting by the end of March 2012	Recommendations 3 and 12
		Review and update information for local SMEs on supplying to the Council	Enterprise and procurement teams	Updated information on Council website, April 2012	Recommendations 3 and 12
		Explore ways in which social benefit can be scored in procurement criteria	Enterprise and procurement teams	Draft proposals to CMT, August 2012	Recommendations 3 and 12

## Strategic Objective 1

Support the establishment, growth and development of SMEs

Intermediate objective	Actions	Tasks (implementation actions)	Rationale (review actions) or responsibility (implementation actions)	Targets and milestones	Reference to scrutiny review action plan
	<b>Implementation action 1.2.2</b> Ensure that developers in TH commit to procuring locally	Pursue adoption of Planning Obligations DPD including 20% local procurement requirement. Ensure local procurement planning obligations policy is applied in relation to major developments.	D&R	DPD adopted, January 2012 100% compliance with adopted policy, ongoing.	Recommendation 3 and 11 Recommendation 3 and 11
	<b>Implementation action 1.2.3</b> Maximise supply chain and contracting opportunities for TH enterprises	Create prospective developers' toolkit, including information on benefits of local procurement, details of relevant support services, and tailored sector-based local supplier lists. Develop an online prospectus of local enterprise suppliers, and promote to business groups	D&R	Documentation drafted for approval, March 2012 Prospectus online, September 2012	Recommendation 3, 6 and 11 Recommendation 3, 6 and 11

## Strategic Objective 1

Support the establishment, growth and development of SMEs

Intermediate objective	Actions	Tasks (implementation actions)	Rationale (review actions) or responsibility (implementation actions)	Targets and milestones	Reference to scrutiny review action plan
	<b>Implementation action 1.2.4</b> Establish relations with major corporates to identify opportunities for mentoring, collaboration and partnership with the borough's SMEs.	<p>Create mechanism for linking major corporates with SMEs.</p> <p>Match corporates with appropriate SMEs for mentoring, collaboration and partnership</p>	<p>Via Mayor's Employment Board.</p> <p>Via Mayor's Employment Board.</p>	<p>Process established, June 2012</p> <p>Matching of corporates and SMEs underway, September 2012</p>	<p>Recommendation 3, 5 and 6</p> <p>Recommendation 3, 5 and 6</p>

## Strategic Objective 1

Support the establishment, growth and development of SMEs

Intermediate objective	Actions	Tasks (implementation actions)	Rationale (review actions) or responsibility (implementation actions)	Targets and milestones	Reference to scrutiny review action plan
1.3 Support social enterprise	Ensure that business support services and networks meet the specific needs of social enterprises.		Social enterprise has a small but important role in supporting a diverse and dynamic economic base in the borough and can provide different routes to employment for local residents.	Included within review of business support services	Recommendations 1 and 2
	<b>Implementation action 1.3.1</b> Map funding sources beyond the mainstream, including microfinance, CDFIs, and Big Society Capital	Work with business support agencies and Third Sector Team to map out available sources of funding for social enterprise	Economic Development & Olympic Legacy division, Business Support Network	Information included in business information web resource, September 2012	Recommendation 3 and 6
	<b>Implementation action 1.3.2</b> Ensure that business support services meet the specific needs of social enterprises, including legal structures and transparency, with particular reference to social enterprises which support the employment and entrepreneurial aspirations of residents in hard-to-reach groups	Assess business support needs of social enterprise Work with Business Support Network to maximise take-up of services	Economic Development & Olympic Legacy division, Business Support Network	Report and recommendations on social enterprise business support needs, July 2012	Recommendation 3, 6 and 10

## Strategic Objective 1

Support the establishment, growth and development of SMEs

Intermediate objective	Actions	Tasks (implementation actions)	Rationale (review actions) or responsibility (implementation actions)	Targets and milestones	Reference to scrutiny review action plan
	<p><b>Implementation action 1.3.3</b> Target social enterprises for procurement support activity</p>	<p>Promote initiatives to build supply chain capacity to social enterprises as part of action 1.1.3</p>	<p>D&amp;R, procurement team</p>	<p>100% of known social enterprises in borough receiving information on supply chain support activity, December 2012.</p>	<p>Recommendation 3 and 12</p>

## Strategic Objective 2

Provide an environment that supports a thriving and diverse economic base

Intermediate objective	Actions	Tasks (implementation actions)	Rationale (review actions) or responsibility (implementation actions)	Targets and milestones	Reference to scrutiny review action plan
2.1 Secure premises to support business growth	<p>Map the provision of physical space for SMEs in the borough, and talk to providers of workspace to identify, supply constraints/deficiencies and propose solutions</p> <p>Review how supply constraints/deficiencies can be overcome through the planning process</p>		<p>The LEA and Enterprise Strategy identify a shortage of supply of workspace for SMEs in Tower Hamlets which risks punishing business start ups and growing business out of the borough. These businesses are vital to the strength of the local enterprise economy.</p>	<p>Supply of physical space mapped by end of June 2012</p> <p>Review undertaken with Planning by September 2012</p>	<p>Recommendations 8, 10 and 11</p>
	<p><b>Implementation action 2.1.1</b> Explore the potential to secure the provision of flexible workspace within commercial developments through the planning process, to mitigate the loss of such space through the development process, and to support new and existing SMEs in the borough</p>	<p>Scoping of potential planning policy mechanisms</p>	<p>Enterprise and Strategic Planning teams.</p>	<p>Report to CMT, June 2012</p>	<p>Recommendation 8 and 11</p>

## Strategic Objective 2

Provide an environment that supports a thriving and diverse economic base

Intermediate objective	Actions	Tasks (implementation actions)	Rationale (review actions) or responsibility (implementation actions)	Targets and milestones	Reference to scrutiny review action plan
2.2 Ensure that the physical environment, including town centres, is suitable for a range of businesses	<p>Implement the Town Centre Spatial Strategy by encouraging initiatives which will develop the local enterprise economy.</p> <p><b>Implementation action 2.2.1</b> Ensure that enterprise considerations are at the heart of town centre regeneration, including at Whitechapel</p>	<p>Engage with Development Implementation team to establish progress of regeneration and agree a programme factoring in enterprise objectives</p>	<p>Town Centres are vital in making opportunities in the local enterprise economy accessible to local people. Improving the performance of the borough's town centres has the potential to retain more spending locally and support a more diverse economy.</p> <p>D&amp;R</p>	<p>Practical steps for SME attraction and growth in Town Centres identified for key town centres e.g. Whitechapel by March 2013</p> <p>Protocol for joint working agreed, September 2012</p>	<p>Recommendations 7 and 10</p> <p>Recommendation 8 and 11</p>

## Strategic Objective 2

Provide an environment that supports a thriving and diverse economic base

Intermediate objective	Actions	Tasks (implementation actions)	Rationale (review actions) or responsibility (implementation actions)	Targets and milestones	Reference to scrutiny review action plan
2.3 Encouraging an entrepreneurial spirit and a culture of innovation	Include High Education Institutions and other such partner agencies which play an integral role within the Tower Hamlets business support networks with the review of business support.		The borough HEIs and other such organisations have a critical role to play in driving a knowledge-based and innovation-based enterprise economy in Tower Hamlet. Knowledge based industries are critical to the future economic competitiveness of the borough.	Included in the review of business support services	Recommendation 2
	<p><b>Implementation action 2.3.1</b> Work with schools to encourage understanding and experience of entrepreneurship among young people</p> <p><b>Implementation action 2.3.2</b> Work with higher education institutions to identify commercial opportunities linked to their academic expertise</p>	<p>Review and promote Schools Entrepreneurship Programme</p> <p>Develop process with higher education providers to promote knowledge-transfer and support facilities</p>	<p>Tower Hamlets Education Business Partnership, Enterprise team</p> <p>Enterprise team and higher education providers</p>	<p>Performance report and recommendations to CMT, December 2012</p> <p>Protocol for joint working agreed, December 2012</p>	<p>Recommendation 4 and 6</p> <p>Recommendation 4 and 6</p>



### Strategic Objective 3

Support the borough's enterprise economy by communicating local needs and wishes to influence a variety of audiences

Intermediate objective	Actions	Tasks (implementation actions)	Rationale (review actions) or responsibility (implementation actions)	Targets and milestones	Reference to scrutiny review action plan
3.1 Develop Tower Hamlets enterprise voice	Set up a Tower Hamlets business forum to represent view of SMEs		There is no single representative voice of business in Tower Hamlets, rather a collection of traders' associations, business clubs – none of which provide a representative voice. There therefore is a need to have a mechanism through which a more representative dialogue can be effected.	Forum event to be held in 2012/13	Recommendations 4 and 5
	<b>Implementation action 3.1.1</b> Set up a Tower Hamlets business forum to represent the views of SMEs	Establish working group including SMEs and business groups to scope role and function of Tower Hamlets SME forum.	Enterprise team	Outline proposal for SME forum, April 2012	Recommendation 5
	<b>Implementation action 3.1.2</b> Promote the voice of local business to government at local, regional and national levels	Establish mechanism for understanding and communicating local business views, through Tower Hamlets SME forum	Tower Hamlets SME forum, Enterprise team	Mechanism in place, December 2012	Recommendation 3, 5 and 6

### Strategic Objective 3

Support the borough's enterprise economy by communicating local needs and wishes to influence a variety of audiences

Intermediate objective	Actions	Tasks (implementation actions)	Rationale (review actions) or responsibility (implementation actions)	Targets and milestones	Reference to scrutiny review action plan
3.2 Influence the policy context to maintain a diverse and sustainable economy	<p>Review Enterprise Strategy objectives against other council Strategies (including the LDF) and put forward practical steps needed to reflect the needs of SMEs to support</p> <ul style="list-style-type: none"> <li>- their attraction to the borough</li> <li>- their start up, growth and development</li> </ul>		<p>The economic health of the borough impacts upon all residents, and future funding from central government may well be linked to business development and growth. Therefore council strategies need to reflect the significance of enterprise where appropriate.</p>	<p>Internal review completed by September 2012</p>	<p>Recommendations 4 and 9</p>
	<p>Examine how the current and proposed changes to the business rate regime can help the Tower Hamlets business community, and the development of the Tower Hamlets economy.</p>		<p>Proposed business rate reform will incentivise economic growth. Tower Hamlets therefore must understand and support the significance of business development in the borough if it is to maximise revenues.</p>	<p>On-going review of, and response to, emerging business rate reform proposals.</p>	<p>Recommendation 2</p>

### Strategic Objective 3

Support the borough's enterprise economy by communicating local needs and wishes to influence a variety of audiences

Intermediate objective	Actions	Tasks (implementation actions)	Rationale (review actions) or responsibility (implementation actions)	Targets and milestones	Reference to scrutiny review action plan
	<p><b>Implementation action 3.2.1</b>                      Research into the ownership of local enterprises and patterns of self employment across the equalities strands, including issues identified within the Strategy such as variations in levels of self-employment between men and women. Research should examine their relative degrees of success, income and trends of growth or contraction.</p>	<p>Undertake research and analysis of business information.</p>	<p>Enterprise Team, Corporate Strategy &amp; Performance, Scrutiny &amp; Equalities                      March 2012</p>	<p>Interim report, December 2012</p>	<p>Recommendation 1 and 6</p>
	<p><b>Implementation action 3.2.2</b>                      Ensure Tower Hamlets responds to opportunities arising from government policy changes for the benefit of the local economy</p>	<p>Ongoing review of and response to potential impact of emerging policy, including business rate retention and small business support network.</p>	<p>D&amp;R</p>	<p>Responses as required, ongoing</p>	<p>Recommendations 5 and 9</p>

### Strategic Objective 3

Support the borough's enterprise economy by communicating local needs and wishes to influence a variety of audiences

Intermediate objective	Actions	Tasks (implementation actions)	Rationale (review actions) or responsibility (implementation actions)	Targets and milestones	Reference to scrutiny review action plan
	<p><b>Implementation action 3.2.3</b> Position Tower Hamlets to take advantage of policy changes to ensure that Tower Hamlets has a strong voice in new and emerging structures and initiatives such as the pan-London Enterprise Partnership, the Host Boroughs' Strategic Regeneration Framework driving the convergence agenda, and the Government's proposed Tech City initiative in east London.</p>	Develop relationships and lobby as appropriate.	D&R	Strategic enterprise position report to CMT, September 2012	Recommendation 5 and 9
	<p><b>Implementation action 3.2.4</b> Position the Council to compete for external resources.</p>	Co-ordinate responses by the borough and partners to any forthcoming opportunities	Enterprise team	Repond to bidding opportunities within set timeframe	Recoommendation 3 and 9

### Strategic Objective 3

Support the borough's enterprise economy by communicating local needs and wishes to influence a variety of audiences

Intermediate objective	Actions	Tasks (implementation actions)	Rationale (review actions) or responsibility (implementation actions)	Targets and milestones	Reference to scrutiny review action plan
3.3 Promote Tower Hamlets as a location for investment and enterprise, and a destination for visitors	<p>Develop the market positioning of the borough as an investment location developing a strong brand linked to City Status (subject to outcome of bid)</p> <p><b>Implementation action 3.3.1</b> Develop a marketing plan to promote the borough, highlighting established brands such as Curry Capital and High Street 2012, enterprise successes, and the borough's suitability for growth sectors.</p>	<p>Draft communications plan for consultation.</p>	<p>Tower Hamlets is uniquely located between the business centres of the City, Canary Wharf and the Olympic Zone, however its identity as a place for investment is underdeveloped.</p> <p>Enterprise and Communications Teams</p>	<p>Support City Status bid</p> <p>Consultation draft, June 2012</p>	<p>Recommendations 1 and 6</p> <p>Recommendation 2, 3, 5, 6 and 11</p>

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# Tower Hamlets Enterprise Strategy Consultation Report

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The draft version of the Tower Hamlets Enterprise Strategy was sent to partners for Consultation in April 2011 and was made available online. Responses were submitted to the Council during late May 2011 (the deadline for responses was set as 23 May).

In total, nine written responses were received. Importantly, written responses were received from key partners including the Canary Wharf Group, East London Small Business Centre, East London Business Place and the Tower Hamlets Primary Care Trust, and other prominent local organisations.

This document is intended to summarise the comments raised by stakeholders and, where appropriate, to indicate how such feedback will be incorporated into the final draft of the Strategy. The Consultation asked five questions and provided space for additional comments on the Enterprise Strategy. Summaries of the responses to these questions are given below.

## **1. How well do the 'Introduction' and 'Context' sections (parts 1 and 2) set out the relevant background for the strategy? Are there any substantial omissions?**

Respondents broadly agreed with the context and concluding sections of the strategy particularly in relation to the diversification of the borough and sectoral analysis.

Respondents said that the introduction showed thorough research and 'sets the scene' well. One respondent suggested mentioning support organisations such as East London Business Place and East London Business Alliance.

Some respondents felt that the analysis of residents skills deficit required further detailed analysis to highlight the barriers caused by a lack of work based skills as well as educational qualifications

A specific comment was made with regards to the introduction where Whitechapel is mentioned but no reference is made to the 'Whitechapel Art Gallery'.

One consultation respondent expressed their agreement with the statistics included in the strategy on supply of labour and employment statistics.

They also made the recommendations to include a description of the Tower Hamlets Third Sector training and employment organisations and promote the work of these organisations in catering for the needs of disadvantaged groups in the local community and the diverse population of the borough.

These points are taken up below.

**Response and Actions:**

We are content with the suggestion to include the Whitechapel Gallery as a prime visitor location in Whitechapel within the introduction. We also agree and welcome the comments made with regards to the residents’ skills; these concerns are addressed within our partner Employment Strategy.

**2. Are the ‘Challenges’, ‘Barriers’ and ‘Opportunities’ (parts 3 and 4) fully set out and do they deal with all relevant considerations?**

**General Comments:**

Respondent Observation	Response/Actions
<p>Response to parts 3 and 4 of the enterprise strategy were broadly positive and respondents agreed with the analysis. Comments were made with regards to improving the job prospects of local residents through ensuring that jobs were created across the skills spectrum, while also highlighting increased opportunities in hotels &amp; catering, retail, and the creative industries.</p>	<p><b>We are pleased with the overall response from consultees on this section of the strategy. We welcome the comments regarding job opportunities for residents across the skills spectrum, and this fits in well with the strategic aim to promote a diverse and sustainable enterprise economy. Through our partner employment strategy we will support residents to access jobs and progress across the whole skills spectrum. Creative Industries, tourism, retail and leisure are identified as potential growth sectors for the Tower Hamlets economy.</b></p>
<p>One consultee felt that emphasis should be made on the expected impact of the new Royal London Hospital, in terms of the creation of new public space, and availability of space that will free up, with the suggestion that the development could be linked to the Tech City plans.</p>	<p><b>This is a useful comment, to be taken up in connection with the Tech City proposals.</b></p>
<p>Under the opportunities section, there was a suggestion to amend the insert on social enterprise to reflect the impact they could</p>	<p><b>While we welcome the comments here, the opportunities section of the strategy is concerned with developments in the enterprise economy rather than the</b></p>



<p>have on the delivery of public services.</p>	<p><b>delivery of public services. Nonetheless, we recognise the contribution of social enterprises in the delivery of public services and will seek to support all enterprises in gaining opportunities to provide services through commissioning processes.</b></p>
<p>Information on page 31 about ELBP to be amended with the following:</p> <p><b>East London Business Place (ELBP):</b> is a supply chain development programme allied to a contract brokerage service led by Canary Wharf Group plc and supported by East London Business Alliance. It provides a free matching and sourcing service, connecting buyers and suppliers to maximise local business benefit from new developments and commercial precincts in east London. In particular, ELBP has, since 2008, helped Tower Hamlets (TH) based SMEs secure almost £38m of business and has helped more than 350 TH SMEs reach 'Fit-to-Supply' status through flexible 1-2-1 and one-to-many support activities.</p>	<p><b>We will amend the information on ELBP with the information provided.</b></p>
<p>Respondents felt that although higher education institutions do provide significant opportunities for enterprise and innovation, these institutions do not play an important role in the development of a skilled workforce and that this view is supported through work conducted by the Young Foundation.</p>	<p><b>This is a point which can be taken up most usefully in work under the Employment Strategy</b></p>
<p>Respondents felt that the opportunities section of the strategy where specific reference was made to the travel, retail, tourism and the creative industries sectors should have its own Cultural Strategy which would provide a way of co-ordinating these elements and bringing the focus onto the assets in the borough and help contribute to</p>	<p><b>The Enterprise Team will be glad to contribute to any future Cultural Strategy developed by the Council</b></p>

<p>strategic the strategic objectives of 'positioning' and 'place'.</p>	
<p>Under the section on sources of funding and finance, it was mentioned that ELSBC have been heavily involved in the Community Development Finance Association (CDFA) and their successful bid to the Regional Growth Fund for capital towards loans to businesses, an through the CDFA are developing links with the Big Society Bank.</p>	<p><b>We have noted this.</b></p>
<p>Respondents were pleased with the narrative contained in the strategy on social investment and enterprise. They suggested that in addition to what was already included, there should be specific focus on the role of social enterprise in relation to providing care and support services that are generally provided by health and social care organisations, and to actively endorse this activity through the strategy.</p>	<p><b>We agree that social enterprises have been operating successfully in the area of health and social care and that in recent years there has been cross party support for social enterprises to be increasingly more involved in the role and provision of health and social care. Proposals for targeting social enterprises for procurement support activity are mentioned under Intermediate Objective 1.3.</b></p>
<p>One respondent expressed their disapproval with a reference under the Enterprise Support section in the strategy. They strongly felt that there are more organisations offering enterprise support than the three 'main' providers mentioned.</p>	<p><b>The reference in the strategy relates to enterprise support providers operating across the East London Sub region rather than Tower Hamlets itself. We are fully aware of the enormous support offered by Account3 and other support providers in Tower Hamlets; we regularly refer clients seeking support to Account3 through our online Business Enquires Service. The council's "Business Matters" brochure guide contains details of Account3 and a number of other business support agencies. We have ensured that Account3 and other support providers are referred to in the revised draft.</b></p>

<p>The strategy should state a commitment to encouraging workless adults to claim benefits and sign on to entitle them to DWP funded training and support.</p>	<p><b>Reference to this issue is made in the employment strategy, in the section discussing the complexities of the benefits system and the tailored approaches to tackling worklessness.</b></p>
<p>The strategy inaccurately stated three main business support agencies in the borough. References are then made to the fact that third sector provision is more competent and that the third sector assist more SME start-ups each year than the cited organisations in the strategy.</p>	<p><b>We agree that in the inclusion of the term 'main' should be removed, however this reference referred to three providers operating across the East London sub-region, and not in Tower Hamlets. We do not have evidence to prove or disprove the claim that third sector organisations are more competent than the three agencies named, however we will cite the third sector enterprise support agencies mentioned: Spitalfields Small Business Association, Account3, and the Cultural Industries Development Agency, and the Tower Hamlets Cooperative Development Agency.</b></p>

### **3. Can the intermediate objectives set out under each strategic objective in part 5 be improved, amended or added to?**

The intermediate objectives were well received; although some stakeholders were concerned they were too short-term. The Council points out that the indicative action plan only covers the first year of the strategy and will be updated annually. Stakeholders are invited to participate in this process, which is outlined in the final chapter of the Employment Strategy.

#### **General Comments:**

<b>Respondent Observation</b>	<b>Council Response/Actions</b>
<p>A greater emphasis on skills was desired.</p>	<p><b>This is achieved through the partner Employment Strategy.</b></p>
<p>Revision to Objective SO1: to include making full use of the s106 facility to fund support mechanisms for local business growth</p>	<p><b>Use of resources made available through s106 is outside the scope of this Strategy. Nonetheless, this comment is noted.</b></p>

Revision to Objective SO5: to emphasis developing links further between university students and SMEs to create solutions to business problems through R&D and innovation.	<b>The Strategy recognises the role of local higher education institutions in helping to promote innovation in the enterprise economy, and students in such institutions would certainly be a vital part of this process.</b>
More emphasis was needed on considering the affect of regulatory work on promoting activities. For example work done in environmental health and street market management. Activities such as these are business facing and can reflect the Council's attitude to business. Maximum importance should be given to objectives relating to local employment, supply chains, and sustainability.	<b>We welcome the comments regarding regulatory work. Work proposed under Intermediate Objective 3.1 seeks to ensure that the Council's planning and regulatory functions take into account the needs of local enterprises.</b>

#### **4. Do you agree with the delivery arrangements as they are set out in part 5.1?**

##### **General Comments:**

<b>Respondent Observation</b>	<b>Council Response/Actions</b>
Broadly respondents were satisfied with the delivery arrangement set out in part 5.1. One respondent suggested that under the 'influencing' bullet point a requirement that the Council should exert its influence by introducing business support organisations such as ELBP to developers at a sufficiently early stage to encourage them to use local suppliers wherever possible.	<b>We welcome these comments. With regard to the specific comment made, we propose an amendment to ensure that ELBP can take part in joint working arrangements designed to increase the amount of business done by local enterprises.</b>
A comment was made towards the provision of premises and the development of a more flexible approach through policies related to 'change of use' for available vacant premises	<b>The Enterprise Team is regularly involved in consultations regarding planning regulation and policy and we will continue to do so. We will be commenting on the forthcoming consultation on the relaxation of planning</b>

was welcomed.	rules.
The suggestion of an expanded Enterprise Group was proposed, and a note to ensure engagement of SMEs through dedicated consultation events is required.	<b>The main role for the Enterprise Task Group in the Strategy is a coordination one. The Group will be advised by local enterprises and there will be a variety of consultation processes to ensure that the Strategy is delivered in a way which will provide demonstrable benefits to the local enterprise communities.</b>
The strategy should include an objective associated with the development of work based learning and skills.	<b>This is primarily an item to be tackled in the Employment Strategy</b>
Consultees felt that the strategy needed more emphasis on young people developing youth enterprise, outlining organisations that can support young people, such as the Prince's Trust to develop their ideas or consider the self employment route.	<b>We will mention the potential role of the Prince's Trust in encouraging an entrepreneurial spirit and culture of innovation, particularly in relation to work with young people.</b>
Some respondents felt that the Enterprise Strategy should address the informal economy operating in the borough and the impact this has for residents in terms of accessing jobs.	<b>Research suggests that key reasons for the existence of the informal economy relates to individuals who have low skills and language barriers which make it difficult for them to access jobs in the labour market and therefore seek work in the informal economy accepting lower wages and cash in hand. We will address these barriers through our strategies; responding to the skills needs of residents including provision of ESOL are priorities within the Employment Strategy.</b>
The strategy should state interventions required to enhance the skills of residents which enable them to access employment and emphasise that the most effective support is via frontline services within the community.	<b>We welcome these comments. There are prominent references in the Employment Strategy on increasing delivery by the third sector, working with the third sector to secure partnering and co-commissioning opportunities with prime contractors, and engaging with the third sector in Tower Hamlets to ensure residents from disadvantaged groups have access to</b>

	<p>information and support. These references are not repeated in the Enterprise Strategy, which is concerned more with the demand side of the economy.</p>
<p>The strategy should state a commitment to the council ensuring all relevant contracts include local labour clauses.</p>	<p><b>The council has made this commitment; targets are outlined for both local employment and local procurement within the council's procurement, employment, draft Planning Obligations SPD and the borough enterprise strategy. The Employment and Enterprise team will continue to work closely with planning and corporate procurement to maximise the benefits for borough residents.</b></p>
<p>The strategy should state a clear commitment to encourage and support local residents to establish their own social enterprise or co-operative.</p>	<p><b>The importance of social enterprise is emphasised in the Strategy, and support for residents who wish to establish an enterprise is one of the main strategic themes.</b></p>
<p>Refocus planning priorities to encourage the development of more workshop, small office and business starter units of 500 – 1000 square feet.</p>	<p><b>The Enterprise Team is working with Strategic Planning and Development Implementation teams to develop an approach to securing flexible, affordable business space provision for small, start up businesses. The strategy does highlight the need for this type of provision in the 'Challenges' section, and measures to bring about such provision are contained in the strategic objectives.</b></p>
<p>To conduct research on the impact of new businesses on the local economy and local employment opportunities; this should include information on the survival rates, turnover and employee numbers.</p>	<p><b>We welcome the suggestion. The council produces annual updates on the business environment. Each of the Employment and Enterprise Strategies has been produced in association with the borough's Local Economic Analysis (LEA), which forms the evidence base for the strategies. Intermediate objective 3.2 commits to further research on similar issues, with a focus on equalities and diversity.</b></p>

## 5. What are your comments on the action plan attached to the strategy?

### General Comments:

Respondent Observation	Council Response/Actions
While the Action Plan was largely embraced by respondents, one respondent felt that more recognition was needed for organisations such as ELBP as a useful partner in local procurement and supply chain development.	<b>We welcome these comments, and the Action Plan has been amended to give more responsibilities to ELBP for procurement/ supply chain work.</b>
Another comment was that the plan seemed to have gaps in terms of tasks for the coming year particularly where the 2012 Olympics are concerned.	<b>A key action under Intermediate Objective 3.1, promoting Tower Hamlets as a location for investment and enterprise, and a destination for visitors, is to develop a communications plan to promote the borough, highlighting established brands such as Curry Capital and High Street 2012, enterprise successes, and the borough's suitability for growth sectors. This is intended to take advantage of the opportunities presented by the Olympics over the coming year.</b>
One respondent strongly asserted that the action plan needed significant development in order for it to give credibility to the strategy.	<b>We agree with these comments. A new Action Plan has been drawn up to implement the Strategy and to take account of the comments received.</b>
Although leadership is mentioned through the Enterprise Task Group, there is no representation from the Learning and Skills Council, schools or training providers. It was put forward that arrangement for delivery of the strategy should include representatives from all key work based learning and skilled	<b>This is more a matter for the Employment Strategy. Both the Enterprise and Employment Strategies will be delivered in the context of Tower Hamlets partnership arrangements, which will include training providers.</b>

players and schools.	
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## 6. Additional comments

The consultation gave space for respondents to make general comments on the strategy, its emphasis, omissions etc.

Respondents took the opportunity to comment on the overall Strategy and stated that it has the potential to deliver change and results, and that partners are keen to participate in the process.

One respondent added in this section that Sir Michael Marmot's review of health inequalities proposes a healthy living wage, building on the London Living Wage. It was felt that supporting this through the strategy would maximise gains from enterprise growth if this concept is developed and encouraged.

An additional comment was made regarding the Government Business Link service which comes to a close in November 2011. The respondent felt that as the revised Business Link service would be web based support, it was important to point out that industry clients need one to one business support whether they are start up or existing businesses. This is a point which will certainly be taken up in the implementation of the Strategy.

DRAFT



## TOWER HAMLETS ENTERPRISE STRATEGY FULL EQUALITIES IMPACT ASSESSMENT

### SECTION 1 – General Information

**1a) Name of Strategy, Policy or Function:**  
Tower Hamlets Enterprise Strategy

**1b) Service Area:**  
Development and Renewal

**1c) Service Head:**  
Nick Smales, Service Head Employment and Enterprise

**1d) Name and role of the officer/s and representatives involved in undertaking the EQIA:**  
Melanie Aust, Independent consultant and experienced advisor in enterprise issues  
Andy Scott, Employment and Enterprise Manager  
Huw Morgan-Thomas, Enterprise Manager  
Enterprise Task Group, part of the One Tower Hamlets Partnership

**1e) Assessment Methodology:**  
The Enterprise Strategy and its integrated Action Plan forms an intrinsic part of delivering the Prosperous Community theme of the Community Plan (which has had its own EQIA undertaken with an extensive consultative process underpinning it). This theme indicates a key priority of 'Fostering enterprise by:

- Providing incentives that encourage both business and social entrepreneurship
- Maximising the opportunities for local businesses to benefit from key growth sectors, and the Olympic and Paralympic Games.
- Promoting Tower Hamlets businesses and encouraging growth and tourism, with particular emphasis on the Olympics and Paralympics'.

Equality and diversity has been a key principle throughout the development of the Enterprise Strategy, see Principle 3 – Equalities and Diversity. This indicates that ‘In recognition of the diversity of Tower Hamlets’ population and business base. This includes ensuring substantial benefit for the diverse groups which make up Tower Hamlets’ population and supporting any group which, in terms of business support or involvement in the wider business community, is disadvantaged compared with the others’. This EQIA will assess whether this principle has been effectively applied during the development of the Strategy and will also be embedded in the delivery of the Action Plan.

The Local Economic Assessment which was completed in December 2010, provides the detailed evidence base upon which the Enterprise Strategy is built. This is a comprehensive assessment of both the ‘supply’ (people) and ‘demand’ (jobs) sides and the complex economic environment within which the Strategy is being developed. It will be regularly reviewed and updated and this will need to impact on the delivery of the Strategy and the Action Plan. It will be role of the Prosperous Community Delivery Group and the Enterprise Task Group to ensure that the strategic fit between the evidence and action continues to provide a clear line of site between agreed priorities and activities and interventions designed to meet these priorities.

This EQIA has been developed during the consultation and redrafting stage of the Enterprise Strategy.

This consultation has been undertaken in a number of stages as outlined below:

Prosperous Community Delivery Group consultation  
Enterprise Task Group

Consultation with local businesses as part of the Business Survey included in the Local Economic Assessment and during February/March as part of the consultation process feeding into the Enterprise Strategy (where there is a read across to the ‘demand’ section within the Employment Strategy)

Consultation with strategic partners and agencies from 21<sup>st</sup> April to 23<sup>rd</sup> May 2011

Consultation with local communities from 21<sup>st</sup> April to 23<sup>rd</sup> May 2011

The consultation regarding the Enterprise Strategy completed on 23<sup>rd</sup> May 2011. Nine larger organisations based in the borough have provided written comments on the Enterprise Strategy. These comments were broadly supportive of the Strategy and it was noted to have been well researched. Specific comments and suggestions have been considered and revisions have been made to the redrafted Enterprise Strategy and into this EQIA.

## SECTION 2 – Information about changes to Policy, Strategy or Function

**2a) Please explain the aims and objectives of the strategy, policy or function and the reasons for the change**

### **WHAT ARE THE PURPOSES OF THE STRATEGY?**

The Enterprise Strategy, alongside the Employment Strategy, form part of a suite of strategies aimed at reducing child poverty and increasing financial inclusion in the borough, which require effective working between departments, agencies and partnerships to achieve their objectives. The overarching strategy for the Council and its partners is the One Tower Hamlets Community Plan. The Enterprise Strategy, therefore, reflects the vision of the Prosperous Community theme of the One Tower Hamlets Community Plan:

‘The Partnership chose to include a number of employment and skills related targets in the Tower Hamlets’ Local Area Agreement – reflecting the importance of this issue in making Tower Hamlets a more prosperous place.

But prosperity is not just about wealth. It is about ensuring all residents have the support, skills and encouragement to make the best of their lives. Jobs provide people with fulfilment, purpose and the means to enjoy life. We are committed to making this a reality for all residents by actively supporting more people into work, giving people access to the training they need to be job-ready and by encouraging enterprise and fostering new industries’.

The refreshed Community Plan and the approved Employment Strategy provide the opportunity and framework within which to develop the Enterprise Strategy.

This is a new strategy for the Council and formulates its approach to enterprise and enterprise support. It deals with the ‘demand’ side of the economy – creating a business friendly environment to support new enterprise and enhance the existing business infrastructure. The ‘supply’ side of the economy – developing the skilled and trained workforce to meet the needs of employers is the role of the Employment Strategy – and it’s associated EQIA.

The aim of the Enterprise Strategy is to:

‘encourage and support enterprise and entrepreneurial activity to increase opportunity, prosperity and mobility in Tower Hamlets’

There are 3 Objectives identified, which are as follows:

- **Objective 1** – Support the establishment, growth and development of SMEs
  - 1.1 Co-ordinate and strengthen enterprise support services and access to finance
  - 1.2 Work with large organisations and business to harness their resources for the benefit of SMEs
  - 1.3 Support social enterprise
  
- **Objective 2** – Provide an environment that supports a thriving and diverse economic base
  - 2.1 Secure premises to support business growth
  - 2.2 Ensure that the physical environment, including town centres, is suitable for a range of businesses
  - 2.3 Encouraging an entrepreneurial spirit and a culture of innovation.
  
- **Objective 3** – Support the borough's enterprise economy by communicating local needs and wishes to influence a variety of audiences
  - 3.1 Develop Tower Hamlets' enterprise voice
  - 3.2 Influence the policy context to maintain a diverse and sustainable economy
  - 3.3 Promote Tower Hamlets as a location for investment and enterprise, and a destination for visitors

#### **WHY IS THE STRATEGY REQUIRED?**

The purpose of the Tower Hamlets Enterprise Strategy is identified as 'to set the context for encouraging the future growth and development of the Tower Hamlets economy and its enterprises. It is proposed that a strong, diversified and entrepreneurial economy will ensure that there are opportunities for residents in the future; however the Strategy operates on an understanding that success will require significant focus, partnership working and investment to achieve'.

The Enterprise Strategy has been written to sit alongside the other Council strategies, within the context of the Tower Hamlets Community Plan. Specifically it sits as a companion to the borough's Employment Strategy, in recognition of the synergy and overlap between workforce and economy. The Local Economic Assessment, with its authoritative overview of the context, opportunities and challenges for the Tower Hamlets economy, forms a significant part of the evidence base underpinning this strategy.

The draft Enterprise Strategy indicates that Enterprise is important to the borough in a number of respects:

- Enterprises create opportunities for employment – enterprises provide jobs which local residents may apply for. ....
- Enterprise is a means for residents to create wealth – Many Tower Hamlets residents earn a living by owning a business or by being self-employed.
- Enterprise fuels local economic activity
- Enterprise improves the local economy.

The key question framed by the Enterprise Strategy is to address what the Council and its partners are able to do to effectively support the local enterprise economy to achieve growth and to foster new business opportunities for borough residents. This is placed in the context of limited resources and effective action to meet the agreed initiatives.

Enterprise is identified as strong in the borough and the economic picture is broadly positive. Tower Hamlets is generally a place where people start-up businesses and it has an enterprising local population. However, there are challenges facing the borough as it moves to become part of the central London economy. These are identified as follows:

- Skills gap between residents and business needs
- Relatively low level of self-employment
- Limited resources for business
- Underperforming town centres
- Lack of suitable workspace for small business

The strategy is clear in its understanding that there are many dimensions of an enterprise economy which 'lie beyond the ambit of the Council and its partners to influence' and we are in an environment of limited public sector resources. It has a clear focus, therefore, on adding value and intervening where it is possible to make a difference to developing a pro-enterprise environment in the borough.

With these ambitious outcomes, a robust and effective response is required to the challenges identified – particularly in terms of the methodology behind enabling residents to benefit from economic growth. The rationale provided is that the Employment Strategy addresses how residents' skill levels will be raised to improve their access to jobs. The Enterprise Strategy will support enterprise, encourage growth and support a diverse, sustainable business base that generates employment that local people can access. The Action Plan sets out the actions that will be undertaken to support these outcomes. The governance arrangements will need to be robust to monitor and underpin delivery arrangements. The Action Plan will be monitored and reviewed by the Enterprise Task Group to ensure that they are effective in ensuring that these links between enterprise growth and local residents benefiting are achieved. The existing governance arrangements and partnership structures are being reviewed to ensure that they are fit for

purpose.

This new strategy, while accepting the limitations of its ability to influence economic growth, aims to add value and make a difference in its interventions working in partnership to create an enterprise friendly environment in the borough.

### **HOW HAS THE STRATEGY BEEN REVISED?**

The strategy is the first Enterprise Strategy developed in the borough – previously ‘enterprise’ was contained within other strategies.

The Local Economic Assessment which was completed in December 2010 provides a wealth of information which is now available for use to ensure that the strategy is built on a solid evidence base and this was recognised during the consultation process – which indicated that the strategy was ‘well researched’. It shows that:

- Tower Hamlets economy is worth over £6bn per year, larger than the other Host Boroughs and bigger than Monaco, Malta or Jersey
- The economy provides 204,000 jobs, 5% of London’s total and 30% of all jobs in East London. There are 60,000 more jobs than there are residents of working age
- Less than a fifth of jobs in the borough are taken by residents; the others are filled by people commuting in
- Two thirds of working residents are employed outside the borough, more than half in Central London – mainly in the City and Westminster. A third of out-commuters work in business services
- A third of all jobs in the borough are in financial services and another fifth in business services, a combined total of 55% and comparable with Central London. In contrast, manufacturing – if newspaper publishing is excluded – accounts for just 2% of jobs
- More than anywhere else in London, large firms dominate the economy – with over 45% of jobs in firms with 500 or more employees and over 70% in Canary Wharf itself
- Unemployment at 13% is close to twice the London average of 7.6%. Only 70% residents are in work or looking for work and, for female residents, the figure is less than 60%. A quarter of borough residents – twice the London average – have no qualifications and over 40% of these are not in work
- The borough has the fourth highest population turnover in London and this is in part driven by the lack of housing choices in the borough. House prices are six times mean earnings and over 80% of the accommodation is flats, compared with 50% for London as a whole
- Tower Hamlets is the third most deprived authority in the country and the second in London. But more than a tenth of employees earn over £100,000, compared to 2% for London

- The last decade has seen job growth of 60% in Tower Hamlets – four times the rate for London. Over the next twenty years, employment is expected to grow by at least 50,000 – faster than in all but one other London borough.

This provides the evidence base and framework for the development of the Enterprise Strategy. While it provides the foundations upon which to build the strategy and it's Action Plan, it will need to be regularly updated to maintain this strength and relevance. There is a clear line of sight between the economic data to the barriers identified in the Strategy. It also clearly identifies the challenges faced by a limited ability by the Council and its' partners to intervene effectively to make a difference. An assessment is made about the linkage required between enterprise growth and those who are disadvantaged in the labour market due to their ethnicity, disability, gender, skill level, geographical location, socio-economic status and age.

Over the last 20 years the borough has been transformed – particularly with the development of Canary Wharf and the City Fringe. This has created an environment where there are 1.4 jobs for every resident in the borough. However, 85% of jobs in the borough are filled by people who travel into work every day. At the same time as the rise in the financial and business sectors in the borough, there has been a major and significant decline in the traditional low skilled industries based in the borough and a current retrenchment of the public sector affecting public sector and third sector organisations. The future growth in the borough appears to be largely knowledge based and high skill. This creates a skills mismatch between the needs of employers for a highly skilled workforce and the residents of the borough (35,500 people, which equates to a quarter of the borough's population have no qualifications and over 40% of them are not in work). There is a relatively high level of entry level jobs in the borough and a relatively high level of well-paid positions, but there is very little progression between the two. 95% of employers in a survey in 2009 indicated that they had difficulty filling vacancies because of skill shortages.

Objectives, sub objectives and proposed actions are identified in the Action Plan. These will assist the Enterprise Task Group (and the Prosperous Community Delivery Group) in monitoring the effectiveness of the strategy in meeting its identified aims.

The EQIA considers the impact of the proposed Strategy and the Action Plan on a number of equality strands.

### **Structure of the Strategy**

The Strategy has been structured as follows:

- **Executive summary** – summarises the contexts, challenges and opportunities, sets out the aim and 6 objectives of the strategy and identifies the delivery mechanism;
- **Introduction** – identifies the purpose of the strategy, presents Tower Hamlets as a unique economy, maps out the gaps

between business and residents, identifies areas of mutual benefit, warns of the risks of failure, highlights the need for partnership working, sets the overarching principles and structure;

- **What is happening in the Tower Hamlets enterprise economy**– identifies the rate of change, A Central London economy, growth of financial services/decline of traditional sectors, financial business service clustering, other sectors of growth, an enterprising economy;
- **Who’s who in relation to enterprise** – presents the stakeholders and contributors to the Tower Hamlets enterprise economy, types of enterprise, role of the council;
- **Problems** – the skills gap – residents and borough businesses, relatively low rate of self-employment, limited resources to businesses, underperforming town centres and lack of suitable workspace for small businesses;
- **Objectives**

The Action Plan builds specific actions to meet the Strategic objectives and intermediate objectives and sets a framework for development and review.

### **SECTION 3: Equality Implications of the changes to Strategy, Policy or Function**

#### **What is the relevance of this Plan and the proposed changes to equality?**

The bulk of the Equality Act 2010 came into force in October 2010 and the new public sector duty will come into force in April 2011. In delivering its functions the Council and its partners must give due regard to:

- Eliminating discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- Advancing equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it, which means
- Removing or minimising disadvantages suffered by people due to their protected characteristics.
- Taking steps to meet the needs of people from protected groups where these are different from the needs of other people.
- Encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.
- Fostering good relations between persons who share a relevant protected characteristic and persons who do not share it.



There is also a greater onus on statutory partners to be more accountable to residents for how inequality is being tackled.

The Enterprise Strategy sets out a key aim to ‘encourage and support enterprise and entrepreneurial activity to increase opportunity, prosperity and mobility in Tower Hamlets’. There are significant limitations on the ability of the strategy, the Council and its partners, to influence economic growth in the borough:

- The ‘supply’ side – the provision of jobs and work opportunities – is dependent on economic conditions – both national and global – and is not locally determined.
- There is significantly less public sector funding available to support business engagement, advice and support in the borough, so the funding that is available needs to be prioritised and used strategically.
- The growth sectors in the borough mainly require highly skilled workers – in a borough where qualification levels are generally low. Ensuring that skill levels are increased is a significant challenge for the Employment Strategy, but it is only if this can be achieved that the numbers of local residents employed by these growth sectors will improve.
- The borough has low levels of both self-employment and social enterprise activity. These are both areas where there may be scope for providing support – particularly for those target groups identified in the Employment Strategy e.g. Bangladeshi women, young men under 29. This is likely to have more of a social impact than an economic impact. Self-employment and social enterprise are, however, areas where the Enterprise Strategy could offer targeted support in terms of business support and information, communicating and networking.

### SECTION 3: Equality Impact by Equality Strand

<b>RACE EQUALITY IMPACT: Outline below the impact of your policy, strategy or function on different racial groups</b>	
<b>What are the race equality issues in Tower Hamlets appropriate to the Enterprise Strategy?</b>	<b>Does the draft Strategy adequately respond to the high level race equality needs of the Borough?</b>
<p>The borough is one of the most ethnically diverse in the country, with a non-white population of over 45%, compared to a 13% London average. The high proportion of Asian origin residents within the borough stands in marked contrast to proportions for London as a whole.</p> <p>The 2009 National Employer Skills Survey (NESS) showed that at</p>	<p><b>Yes:</b> The Strategy recognises that:  ‘High levels of economic exclusion mean that residents have low levels of income and assets, and can struggle to access debt finance through traditional means. Informal sources, primarily friends and family, may provide an alternative means of finance and it has been suggested that this is particularly prevalent among the Black and Minority Ethnic communities.’</p>

<p>least half the owners or partners in Tower Hamlets businesses are at least half owned are from a black, asian or other ethnic minority group.</p>	<p>It is less well developed in terms of developing a more detailed analysis of the specific communities – and their respective roles in the enterprise economy in the borough (e.g. which specific ethnic group are they from, what sort of sectors are they working in). It is proposed that the research to be undertaken on the ‘demand’ side should assist in developing such an analysis. This also should identify, where possible, gender, age, disability, faith (and if appropriate LGBT) to enable the Mayor’s Employment Board to monitor and review the Action Plan effectively. The mapping, supply chain and networking actions identified in the Action Plan (e.g. 1c, 2b, 3a) provide some early opportunities for collection and analysis of information on business composition in the borough that could then feed into future reviews of the Action Plan.</p> <p>It is proposed that the action to undertake further research is undertaken early and that an information base is developed and maintained that will help to build a greater understanding of the borough’s entrepreneurs and business owners.</p>
<p><b>DISABILITY EQUALITY IMPACT:</b> Outline below the impact of your policy, strategy or function on disabled people</p>	
<p><b>What are the high level disability equality issues in Tower Hamlets appropriate to the Enterprise Strategy?</b></p>	<p><b>Does the draft Strategy adequately respond to the high level disability equality needs of the Borough?</b></p>
<p>Economic inactivity amongst disabled people: The most significant priority for disabled people identified in this assessment is the impact of the changes to benefits paid on the basis of poor health and disability. Those on claiming ill-health benefits are the second largest group of workless residents in the borough. Employment and Support Allowance (ESA) is paid to people whose illness or disability limits their ability to work, and replaces both Incapacity Benefit (IB) and Income Support (IS). In May 2010, there were 12,370 ESA/IB claimants in Tower Hamlets; 7% of the working age population. By June 2010, of 2,600 completed ESA assessments; 76 per cent were found fit for work. Of those who have appealed against the decision, 37 per cent were successful. We know that 45% of IB claimants in</p>	<p><b>Partially:</b> There is an understanding that disabled people are most excluded from the workplace and would most benefit from local employment. This should be expanded to identify what additional support is required to enable disabled people to become entrepreneurs or self-employed. There is obviously a read across to the Employment Strategy with its work on developing the skills required for business. Networking opportunities are being developed as part of the Action Plan. These should be exploited to enable the needs of disabled people and the opportunities offered by the enterprise economy in the borough for disabled people to be better understood.</p>

<p>Tower Hamlets suffer from a mental health condition.</p> <p>Disabled people are around twice as likely not to hold any qualifications and half as likely to hold a degree which has an impact on their employability.</p> <p>Tower Hamlets is estimated to have one of the highest prevalence rates of mental health conditions in London.</p>	
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<p><b>GENDER EQUALITY IMPACT:</b> Outline below the impact of your policy, strategy or function on different gender groups (including Trans people)</p>	
<p><b>What are the high level gender equality issues in Tower Hamlets appropriate to the Enterprise Strategy?</b></p>	<p><b>Does the draft Strategy adequately respond to the high level gender equality needs of the Borough?</b></p>
<p>The introduction of welfare reforms will have an adverse impact on families and it will be disproportionately fall on women. Lone parents (90% of whom are women) are likely to be hardest hit (TUC report The Gender Impact of the Cuts), losing 18.5 per cent of their net household income.</p> <p>Women represent 65 per cent of the public sector workforce in the UK and as a result are likely to experience a heavier impact of job losses across the public sector in Tower Hamlets than men. Public sector job losses will be felt particularly hard by women working part-time as the average pay for part-time jobs in the private sector is just £6.78 an hour (compared to £9.34 in the public sector). The public sector accounts for about one sixth of all the jobs in the borough.</p> <p>Economic inactivity rates for women in Tower Hamlets are considerably lower than the national average, particularly amongst Bangladeshi and Somali women.</p>	<p><b>Yes:</b>The aim of the Enterprise Strategy is to encourage the economy in the borough to diversify. Key areas of growth are likely to be within sectors where women have traditionally worked e.g. retail, tourism, cultural and creative. It is anticipated that via the work of the Employment Strategy, key skills will be developed in target groups – which includes women – there will be a pool of skilled workers developed to take advantage of new job opportunities in the borough.</p>
<p>Economic inactivity rates for women in Tower Hamlets are considerably lower than the national average, particularly amongst Bangladeshi and Somali women.</p>	<p><b>Yes:</b>The strategy references Account3 Women Consultancy Service as a ‘borough level support service’. This suggests that there is a level of interest in start-up business coming from women. There is research currently underway and project work will follow shortly, with</p>

	<p>Somali and Bangladeshi women which will help to provide a better understanding of the barriers to work faced by women from these communities. The research has already highlighted that there is a strong tradition of enterprise and self-employment within the Somali community and that women play a major part in this area. It also suggests that self-employment and social enterprise may be an appropriate route ways into work for these groups.</p> <p>It is proposed that further analysis is undertaken to determine this level of interest in both communities and to identify any specific business support needs may flow from this.</p>
<p><b>AGE EQUALITY IMPACT: Outline below the impact of your policy, strategy or function on different age groups</b></p>	
<p><b>What are the high level age equality issues in Tower Hamlets appropriate to the Enterprise Strategy?</b></p>	<p><b>Does the draft Strategy adequately respond to the high level age equality needs of the Borough?</b></p>
<p>With over a third of residents aged 55-59 claiming an out-of-work benefit, this group is heavily over-represented in the claimant count relative to other groups at almost twice the London average</p> <p>Child poverty: Over 60% of children in the borough are classed as living in low-income households. Over 50% of children in the borough live in live in families claiming key out of work benefits. 33% of families are living on less than £20,000 per annum.</p> <p>All wards exhibit considerable levels of child poverty compared with the UK average. The ward with the highest level of child poverty is St Dunstan's and Stepney Green, where nearly 70% of children live in poverty. This is closely followed by Bromley by Bow, Mile End East,</p>	<p><b>No:</b> The strategy does not have any references to the needs of older people. They are included in SO5 'encouraging a culture of innovation and entrepreneurial spirit'.</p> <p>It is recommended that this is picked up in the action to undertake research into all the equality strands and that future Action Plans will target more effectively the needs of those over 50.</p> <p><b>Yes:</b> The Enterprise Strategy responds to child poverty through its clear commitment to supporting the development of an enterprise culture in the borough and clearly linking the growth of enterprise to local people. This objective requires the alignment of this policy with the Children and Young People's Plan and the Child Poverty Strategy. This will be achieved through the effective joint work between department's and within the One Tower Hamlets Partnership towards achieving the delivery of N1 116 – reducing the proportion of children in poverty.</p>

<p>East India and Lansbury, Bethnal Green South and Shadwell, each reporting more than two thirds of children in poverty. Like deprivation measured through national indices, child poverty is high compared to the UK average and it show strong spatial concentrations.</p>	<p>By creating more employment opportunities and preparing local people with the right skills for the jobs on offer, there will also be a reduction in the financial burden on the Exchequer in terms of costs of benefit costs. Increasing median incomes and reducing dependency is essential, both in terms of combatting poverty and deprivation, and in terms of stimulating the local economy. High levels of disposable income in turn provide more opportunities for retail, leisure, tourism and related sectors to prosper within the borough.</p>
<p>Unemployment amongst young people: There has been significant progress in reducing the numbers of young people, 16-18, not in education, training or employment. However, transition into employment at 18 continues to be difficult. National data shows that 18 year olds are more likely (17%) than 16 year olds (4%) to be NEET and that the problem is getting worse for 18 year olds. Tower Hamlets has the youngest job-seekers within London – 43% of JSA claimants are under the age of 29. Black African (11.2%) and Bangladeshi residents (9.4%) have the highest claimant rates in the borough.</p>	<p><b>Yes:</b> The Enterprise Strategy highlights a number of initiatives with young people, working closely with schools. These include support for ‘Your Enterprise’ initiatives, including making test market stalls available, advocating outreach programmes and peer group support networks and developing links between universities and SME’s.</p> <p>There is a read across to the Employment Strategy where it is proposed that employability skills for young people will be provided by working through schools, colleges and business organisations, such as ELBA. Interventions are likely to include transition from education to employment support. Working with employers in delivering the Enterprise Strategy will ensure that there is good access to job vacancies and to information on growth sectors in the borough.</p> <p>It is recommended that the initiatives are built on existing good practice and that any gaps and opportunities are identified – particularly for the involvement and support of local business in developing enterprise skills in young people.</p>

<p><b>SEXUAL ORIENTATION EQUALITY IMPACT:</b> Outline below the impact of your policy, strategy or function on gay, lesbian (LGB) and bisexual people</p>	
<p><b>What are the high level LGB equality issues in Tower Hamlets appropriate to the Enterprise Strategy?</b></p>	<p><b>Does the draft Strategy adequately respond to the high level LGB equality needs of the Borough?</b></p>

<p>It is estimated that 10% of the borough's population is lesbian, gay or bisexual (LGB), which means that there are potentially 23,900 LGB people living in Tower Hamlets.</p>	<p><b>No:</b> The Strategy does not identify sexual orientation as an advantage or disadvantage in delivering its objectives or actions. It is not clear if sexual orientation is a barrier in setting up a business or in being a business owner, or if there is information available that would show that LGBT groups are disadvantaged in the enterprise sectors.</p> <p>It is recommended that the research to be undertaken on equality strands builds a picture of the specific issues and barriers facing those from LGBT backgrounds who want to become involved in enterprise sector.</p>
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<p><b>RELIGION/BELIEF EQUALITY IMPACT:</b> Outline below the impact of your policy, strategy or function on people with different religions and beliefs</p>	
<p><b>What are the high level religion/belief equality issues in Tower Hamlets appropriate to the Enterprise Strategy?</b></p> <p>The profile of religion and belief in Tower Hamlets is very distinctive. 78% of residents state that they have a religious belief, which is significantly higher than the national average. The borough has the highest proportion of Muslim people of any local authority area in the country; at 36.4% and 40% of residents are Christian.</p> <p>The religion and belief equality needs of the borough are in many respects intrinsically linked to other equality strands. For example, the high prevalence of worklessness amongst Muslim women.</p>	<p><b>Does the draft Strategy adequately respond to the high level Religion/ Belief equality needs of the Borough?</b></p> <p><b>Yes:</b> The Strategy does indicate that there is evidence that Islamic finance is a source of start-up and growth funding for some new businesses in the borough.</p> <p>It is acknowledged that those with different faiths may wish to take a particular career path e.g. self-employment, entrepreneurship. Support for self-employment and entrepreneurship is included as part of the Action Plan.</p>

<p><b>SOCIO ECONOMIC EQUALITY IMPACT:</b> Outline below the socio economic impact of your policy, strategy or function</p>	
<p><b>What are the high level socio economic equality issues in Tower Hamlets appropriate to the Enterprise Strategy?</b></p> <p>Tower Hamlets residents struggle to access the borough's jobs, increasing deprivation and reducing local spending and that this needs to be addressed. The majority of residents travel outside the borough to work and 85% of jobs in the borough are filled by those</p>	<p><b>Does the draft Strategy adequately respond to the high level socio economic equality needs of the Borough?</b></p> <p><b>Yes:</b> The Strategy indicates that this mismatch has social, economic and environmental costs. The strategy proposes that by improving the performance of the non-financial services sectors and enhancing access to opportunities in the growth clusters (ICT and High Tech,</p>

	<p>cultural and creative, retail, hospitality and tourism) will be the key to addressing this imbalance. The conclusions around this contextual issue are that the borough's attractiveness as a location for financial and business services is maintained; that growth in other sectors must be encouraged to diversify the economy and that there has to be an increasing overlap between residents and businesses to ensure the maximum mutual benefit.</p>
<p><b>Community Cohesion IMPACT:</b> Outline below the cohesion impact of your policy, strategy or function</p> <p><b>What are the high level cohesion issues in Tower Hamlets appropriate to the Enterprise Strategy?</b></p> <p>Tower Hamlets has long been a place where people from different backgrounds have lived together. Over the last twenty years, Tower Hamlets has experienced a transformation in its economy, although there has been gradual progress in translating this into increased employment for residents and there are still concentrations of deprivation. The development of both the City Fringe and Canary Wharf has created a boom in high-skilled modern occupations, which has developed alongside a marked decline in more traditional lower-skilled, lower-paid sectors (the rise in the restaurant and hospitality centre around Brick Lane being an exception). Polarisation has become the dominant feature of the new Tower Hamlets, with thousands earning £100,000 and over, but some 47% of residents on benefits. Today, the overall picture remains one of deprivation existing alongside plenty.</p>	<p><b>Does the draft Strategy adequately respond to the high level cohesion needs of the Borough?</b></p> <p><b>Yes:</b> The strategy includes that social cohesion and social mobility must be strengthened in tandem if we are to be considered successful. It highlights that an entrepreneurial culture will be the key to delivering this next wave of transformation – 'entrepreneurial businesses, an entrepreneurial people and entrepreneurial public services together striving to innovate and deliver for the borough's businesses and residents'. This will be underpinned by actions to increase the proportion of local procurement opportunities; develop an enterprise culture in the borough, with support for new entrepreneurs; to support the take up by enterprises of the ICT/Tech City initiatives and facilities and providing an increased supply of flexible workspace for micro and small enterprises. Through the Mayor's Employment Board and One Tower Hamlets Partnership, there will be co-ordinating and focusing of work with and between big business to encourage them to embrace the strategy and focus more of their CSR activities and funding in the borough.</p> <p>There is also a need to reinforce the 'demand' side of employment and working with employers to highlight the benefits of a diverse workforce. This also needs to be reflected in the Employment Strategy. A clear focus of activity needs to ensure that the 2 strategies do work in concert to maximise the impact of preparing local residents for sustainable jobs in growth sectors in the borough. The</p>

	<p>strategy indicates a particular challenge around how to connect growth to residents, including how best to support enterprise and generate employment within the borough which local people can access. A commitment of this nature to enterprise offers benefits for both businesses – large and small- and to the people of Tower Hamlets.</p> <p>It is recommended that a comprehensive approach to cohesion and making these links is articulated in the strategy and that this is seen as a priority for Mayor's Employment Board. This would spell out exactly how local residents are going to be linked into the entrepreneurial transformation and what route ways are being developed to enable this to occur.</p>
<p>National government has entered into a period of fiscal tightening that sees reductions of £40bn by 2015/16. This has been accompanied by welfare reform, which sees an emphasis on work over benefit support. The reduction in public spending accompanying the fiscal tightening is resulting in many public sector jobs (and their ancillary service requirements) going. Significant private sector activity is dependent on public sector activity e.g. contractors, consultancy and out-sourcing and this must be considered at risk. VAT has been increased to 20% from January 2011.</p>	<p><b>Yes:</b> The recent government initiatives to reduce national debt has led to VAT being increased steeply to 20%, which will result in reduced consumer confidence and will have a likely impact on spending levels in the borough. This will adversely affect businesses in the borough. The reductions in public sector funding and purchase power will impact adversely on many businesses in the borough who provide goods and services for the borough. Many residents in the borough are reliant on the public sector either as an employer or a provider of services. Many are also reliant on the benefit system. Significantly for Tower Hamlets the government's reforms include reductions in benefits which will impact disproportionately on some locations in the borough more than others. The Enterprise Strategy aims to build the enterprise base in the borough by providing support and advice, but also by helping local business to compete more effectively for local contracts and work.</p>
<p>Underpinning this structural divide is the phenomenon of population churn, by which some residents exercise a choice to leave the borough seeking better jobs and greater housing choice. By leaving they create space for others, often with similar or more challenging socio-economic profiles at the start of their economic career in London – and so the same pattern of deprivation tends to re-assert itself. This can make the borough's indices of health, wealth and skills seem</p>	<p><b>Yes:</b> The Local Economic Assessment identifies that there is a good level of enterprise, demonstrated by business births, deaths and survival rates. A good level of enterprise and business churn is seen as a strength of the borough.</p> <p>The Employment Strategy reflects that this population churn means that those leaving the borough are potentially more qualified, skilled</p>



<p>unusually resistant to improvement over time, whereas in fact significant social mobility has taken place.</p>	<p>and paid more than those arriving in the borough. It would be helpful to consider further what impact this social mobility is likely to have on the performance of the Enterprise Strategy.</p> <p>In updating the evidence base for the LEA, it is proposed that social mobility becomes an area for additional research. This should aim to establish the reasons for both in and out migration from the borough and to understand how this impacts on delivery of the Enterprise Strategy</p>
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<p><b>Equality impact of the new approach adopted and delivery arrangements of the Strategy</b></p>	<p><b>It is anticipated that the approach taken in developing this Strategy will have a positive equality impact in tackling the high level equality needs in the borough.</b></p> <p>The Enterprise Strategy has been developed to develop an understanding of the economic environment and to focus the approach on areas of 'added value' or where the partnership is able to 'make a difference'. It properly analyses the current situation and provides a strategic framework for providing interventions that will support its aim and objectives. The approach taken has been to build equality and diversity into the Strategy as a key principle: 'In recognition of the diversity of Tower Hamlets' population and business base, initiatives will be developed, implemented and monitored in a way which will achieve:</p> <ul style="list-style-type: none"> <li>• substantial benefit for the diverse groups which make up Tower Hamlets population;</li> <li>• support for any group which in terms of business support and involvement in the wider business community is disadvantaged compared with the others'.</li> </ul> <p>Partnership governance arrangements are being reviewed to ensure they are fit for purpose to deliver the new strategy, particularly</p>
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to ensure that the 'right partners' are around the table to achieve the objectives, including those that impact on equality and diversity. It is proposed that the partnership through the Enterprise Task Group should take responsibility for ensuring that the recommendations coming from this EQIA are monitored and built into their work programme to ensure effective delivery.

### **RECOMMENDED AREAS FOR IMPROVEMENT**

1. A key area of improvement is the important role that the Mayor's Employment Board should take, going forward, with regard to ensuring effective targeting and monitoring of interventions towards disadvantaged communities.
2. Any review of the Local Economic Assessment should be analysed and assessed for impact on the equality strands and actions taken in response to any findings.
3. There is a need to develop a shared understanding – (building on the anecdotal and existing stakeholder knowledge base) that those from the different equality strands play in the enterprise economy. The Action Plan includes an action to 'Review Enterprise Strategy objectives against the other council strategies (including the LDF) and put forward practical steps needed to reflect the needs of SME's to support:

- their attraction to the borough
- their start up, growth and development'.

This will be an important first step in enhancing the evidence base for and targeting of the Enterprise Strategy to start to deliver on the improvement areas identified in this EQIA. The findings should be built upon in future reviews of the Enterprise Strategy.

REPORT OF THE MAYOR IN CABINET

04 APRIL 2012

To receive the report of the Cabinet at its meeting held on Wednesday **04 April 2012**.

Mayor and Councillors in attendance at the meeting: -

**Cabinet:**

Mayor Lutfur Rahman	
Councillor Rofique U Ahmed	(Cabinet Member for Regeneration)
Councillor Abdul Asad	(Cabinet Member for Health and Wellbeing)
Councillor Alibor Choudhury	(Cabinet Member for Resources)
Councillor Rania Khan	(Cabinet Member for Regeneration)
Councillor Oliur Rahman	(Cabinet Member for Children's Services)

**Other Councillors:**

Councillor Peter Golds	(Leader of the Conservative Group)
Councillor Ann Jackson	(Chair of the Overview and Scrutiny Committee)
Councillor Denise Jones	

**1. Community Safety Plan 2012-13 (CAB 102/112)**

The report (attached as Appendix 1 to this council report) informed the Mayor and Cabinet that: -

- Community Safety Partnerships had a statutory duty to produce a Community Safety Plan which investigated challenges and opportunities for the borough and identified its priorities for the term of the plan. This year the Executive Steering Group recommended to the Community Safety Partnership that the next plan should cover the 2012-13 financial year only given the unique environment that the Olympics and Paralympics would create in the borough.
- The Plan outlined the Strategic Framework within Tower Hamlets, its links to the Community Safety Plan, the newly approved Community Safety Partnership Delivery Structure / membership and the Corporate and Partnership Olympic Impact Planning infrastructure. It identified key crime drivers for 2012 based on both local and national research/knowledge and set out the Community Safety Partnerships priorities for 2012.

These are:

- Violence
- Serious Acquisitive Crime
- Youth
- Violence Against Women and Girls
- Drugs / Alcohol
- Integrated Offender Management
- Anti-Social Behaviour
- Cohesion and Hate Crime

- Public Confidence
- Olympics
- The subgroups of the Community Safety Partnership would produce action plans (January – February 2012) that would engage with the CSP priorities throughout 2012 and each would be monitored at both Sub-Group and Community Safety Partnership level.

The broad endorsement of the proposals contained in this policy framework report by the Overview and Scrutiny Committee (OSC), at its meeting held on 3<sup>rd</sup> April 2012, and specific comments/ advice arising from its deliberations, were reported by the Chair of the OSC earlier in the Cabinet proceedings and noted by the Mayor/ Cabinet.

**The Mayor agreed:**

- Amendments to the recommended decisions set out in paragraph 2.1 of the report to read as below in Decision 1 and 2.
- An amendment to the recommended decision set out in paragraph 2.2 of the report to read as below in Decision 3.

**Decision**

1. That the Community Safety Plan 2012-2013, attached at Appendix A to the report (CAB 102/112), and the priorities set out within it, be noted and endorsed;
2. That the Development and Consultation Plan for the Community Safety Plan 2013 onwards, attached at Appendix 1 to the Community Safety Plan 2012-2013, be noted and endorsed; and
3. That full Council be recommended to adopt the Community Safety Plan 2012-2013, as contained in Appendix A to the report (CAB 102/112).

**Council is therefore recommended to: -**

1. Adopt the Community Safety Plan, attached at Appendix A to the report (CAB 068/112) **(Attached at Appendix 1 to this Council report).**

**Lutfur Rahman  
Mayor**

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**LOCAL GOVERNMENT ACT 1972 SECTION 100D (AS AMENDED)**  
**LIST OF "BACKGROUND PAPERS" USED IN THE PREPARATION OF THIS REPORT**

<b>Brief description of "background paper" number of holder</b>	<b>Tick if copy supplied</b>	<b>If not supplied, name and telephone</b>
Draft Cabinet minutes 04/04/12		Angus Taylor 020 7364 4333

<b>Committee/Meeting:</b> Cabinet	<b>Date:</b> 4 <sup>th</sup> April 2012	<b>Classification:</b> Unrestricted	<b>Report No:</b> CAB 102/101
<b>Report of:</b> Corporate Director Stephen Halsey  <b>Originating officer(s)</b> Emily Fieran-Reed		<b>Title:</b> Community Safety Plan 2012-13  <b>Wards Affected:</b> Borough-wide	

<b>Lead Member</b>	Deputy Mayor
<b>Community Plan Theme</b>	A Safe and Cohesive Community, A Great Place to Live
<b>Strategic Priority</b>	Focusing on Crime & Anti-Social Behaviour, Reducing Fear of Crime

## 1. **SUMMARY**

- 1.1. Community Safety Partnerships have a statutory duty to produce a Community Safety Plan which investigates challenges and opportunities for the borough and identifies it's priorities for the term of the plan. This year the Executive Steering Group recommended to the Community Safety Partnership that the next plan should cover the 2012-13 financial year only given the unique environment that the Olympics and Paralympics will create in the borough.
- 1.2. The Plan outlines the Strategic Framework within Tower Hamlets, its links to the Community Safety Plan, the newly approved Community Safety Partnership Delivery Structure / membership and the Corporate and Partnership Olympic Impact Planning infrastructure. It identifies key crime drivers for 2012 based on both local and national research/knowledge and sets out the Community Safety Partnerships priorities for 2012. These are :
- Violence
  - Serious Acquisitive Crime
  - Youth
  - Violence Against Women and Girls
  - Drugs / Alcohol
  - Integrated Offender Management
  - Anti-Social Behaviour
  - Cohesion and Hate Crime
  - Public Confidence
  - Olympics

- 1.3. The subgroups of the Community Safety Partnership will produce action plans (January – February 2012) that will engage with the CSP priorities throughout 2012 and each will be monitored at both Sub-Group and Community Safety Partnership level. The Plan must be considered by Cabinet before progressing to Full Council which it is scheduled to do on 18<sup>th</sup> April.

2. **DECISIONS REQUIRED**

Cabinet is recommended to:-

- 2.1 Consider and comment on:

- the Community Safety Plan 2012-13 (Appendix A) and the priorities set out within it;
- the Development and Consultation Plan for the Community Safety Plan 2013 onwards, which is appendix 1 to the 2012-13 Plan.

- 2.2 Note that the Community Safety Plan 2012-2013 is to be presented to Full Council for adoption.

3. **REASONS FOR THE DECISIONS**

- 3.1 No decisions are required of Cabinet. Full Council must adopt a Community Safety plan in order to meet statutory requirements set by the Crime and Disorder Act (1998). The priorities and governance structure outlined in the Plan are based on the statutory strategic assessment exercise that was carried out by statutory partners to consider data on safety in the Borough. They have been agreed by the Community Safety Partnership to be the best model to deliver a safer and more cohesive community in Tower Hamlets.

4. **ALTERNATIVE OPTIONS**

- 4.1 It is a statutory responsibility for Community Safety Partnerships to produce a Community Safety Plan and this is what the Community Safety Partnership have agreed will be their plan and priorities for the period 2012/13, thus there are no alternative options.

5. **BACKGROUND**

- 5.1 This Plan was produced by an executive steering group including senior representatives from the Police, Council, Probation, Health, Fire Service, Youth Services and policy officers from CLC.

- 5.2 It has been produced in line with the Crime and Disorder (Formulation and Implementation of Strategy) Regulations 2007.
- 5.3 A strategic assessment on crime and disorder data was carried out in September 2011 and the findings of this assessment were considered by the Executive Steering Group and the Community Safety Partnership. The Strategic Assessment was approved by the Community Safety Partnership in October 2011.
- 5.4 Engagement with residents has taken place via the Tower Hamlets Police and Community Safety Board (PCSB), which has obtained their views on the levels and patterns of crime, disorder and substance misuse in the borough. The Board has used a number of engagement methods to achieve this, including large public meetings, events targeted at particular sections of the community e.g. older or younger people and regular meetings of the PCSB members themselves, who are local residents. The CSP priorities of anti-social behaviour, drugs and alcohol and the Olympics, were particularly strong features of the feedback from this engagement and are therefore reflected in this plan's priorities.
- 5.5 To summarise, in arriving at the priorities and governance structure in this plan, the executive steering group with responsibility for producing the plan met, and specifically considered a number of key matters. These were i) the Strategic Assessment (which included data from partner agencies); ii) Relevant existing or emerging plans of partner agencies, including the Tower Hamlets Policing Plan and control strategy; iii) Existing or emerging performance indicators monitored by partner agencies; iv) Existing or emerging priorities of partner organisations and v) Feedback recorded from engagement with residents via the Tower Hamlets Police and Community Safety Board (this was also considered as an agenda item at the Community Safety Partnership).
- 5.6 As of 1<sup>st</sup> June 2011, through the amended Crime and Disorder Regulations, Community Safety Partnership's were given the opportunity to set the term of their Community Safety Plan for the coming period locally, as opposed to it previously being set by central government. This year the Executive Steering Group recommended to the Community Safety Partnership that the next plan should cover the 2012-13 financial year only, for a number of reasons which include the current economic and public sector funding conditions and the unique environment that the Olympics and Paralympics will create in the borough. The CSP agreed that the new plan would be for 2012-13 only during their October meeting and approved the Community Safety Plan 2012 in its draft form.
- 5.7 None of the sections are mutually exclusive and impacts will be addressed in more detail in the Delivery Action Plans for each Priority. The Delivery Action Plans may include some detailed analysis of data relating to particular priority areas.

## 6. **BODY OF REPORT**

6.1 The Community Safety Plan 2012-13 (see appendix A) identifies the priorities for the Community Safety Partnership to tackle in the financial year 2012/13. Based on public consultation and analysis of the Community Safety Partnership Strategic Review 2011, the Community Safety Partnership has agreed that the following areas of work will be their priorities for 2012/13.

- Violence – including assaults and gun and knife crime
- Serious Acquisitive Crime – including burglary, robbery and motor vehicle crime
- Youth – including a particular focus on young offenders
- Violence Against Women and Girls – including domestic violence and sexual offences
- Drugs and Alcohol – including treatment, as well as links to violence and acquisitive crime
- Integrated Offender Management – including reducing reoffending around an identified cohort of offenders
- Anti-Social Behaviour – including a wide range of nuisance causing, harassment, alarm and distress
- Cohesion and Hate Crime – including addressing prejudice and discrimination under all equalities strands and preventing violent extremism
- Public Confidence - including satisfaction of service users and perceptions of crime
- Olympics – identifying and recognising the impacts associated with this major event and the changes in population that result.

6.2 The Plan sets links these priorities to other existing frameworks across the Partnership, including the Community Plan, One Tower Hamlets, Localisation/Service Integration and the Victim, Offender, Location, Timed (VOLT) model of community safety management.

6.3 The governance structure for delivering against these priorities is set out, with the roles of the partnership forums and the diversity of their membership being highlighted. The links to operational delivery and to the community are identified. The Partnership Boards which reflect these key priority areas and report to the CSP are shown diagrammatically and consist of: -.

- Drug & Alcohol Action Team Board
- Youth Offending Team Management Board
- Safeguarding Boards (Children & Adults)
- Crime & Anti-Social Behaviour Reduction Board
- Integrated Offender Management Board
- Equality & Cohesion Board
- Domestic Violence Board
- Confidence & Satisfaction Board



- 6.3 The next Community Safety Plan after this one will cover the period from 1st April 2013 onwards. The Development and Consultation Plan relating to this is contained in Appendix B. It outlines the methodology for public consultation, production of the Strategic Review and the Community Safety Plan.

## **7. COMMENTS OF THE CHIEF FINANCIAL OFFICER**

- 7.1 The report sets out the Community Safety Plan 2012-13 (Appendix A) detailing the priorities for the year. Whilst there are no specific financial implications emanating from the plan, the period covering the Olympics and Paralympics will impact significantly on resources and the Services ability to respond. The delivery of the plan through the Community Safety Partnership is expected to have a positive effect on the environment and will be contained within existing budgets.

## **8. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL SERVICES)**

- 8.1. On 13 July 2011, the Council adopted a revised Community Plan, which contains the Council's sustainable community strategy as required by section 4 of the Local Government Act 2000. A key theme of the Community Plan is to make Tower Hamlets a safe and cohesive community, that is, a safer place where people feel safer, get on better together and where difference is not seen as a threat, but a core-strength.
- 8.2. The Council is one of the responsible authorities for Tower Hamlets, within the meaning of section 5 of the Crime and Disorder Act 1998. Other responsible authorities for Tower Hamlets include: every provider of probation services in Tower Hamlets; the chief officer of police whose police area lies within Tower Hamlets; and the fire and rescue authority for Tower Hamlets. Together, the responsible authorities for Tower Hamlets are required to formulate and implement strategies for: the reduction of crime and disorder; combating the misuse of drugs, alcohol and other substances; and the reduction of re-offending. When formulating and implementing these strategies, each authority is required to have regard to the police and crime objectives set out in the police and crime plan for Tower Hamlets.
- 8.3. The Crime and Disorder (Formulation and Implementation of Strategy) Regulations 2007 require that there be a strategy group whose functions are to prepare strategic assessments, following community engagement, and to prepare and implement a partnership plan and community safety agreement for Tower Hamlets. The partnership plan must set out a crime and disorder reduction strategy, amongst other matters. The strategy group must consider the strategic assessment and the community safety agreement in the formulation of the partnership plan. The Safe and Cohesive Community Plan Delivery Group discharges these functions in Tower Hamlets. The report

indicates that the Community Safety Plan is the relevant partnership plan and has been prepared in accordance with the Regulations.

- 8.4. The making of a crime and disorder reduction strategy pursuant to section 6 of the Crime and Disorder Act 1998 is a function that is required not to be the sole responsibility of the Council's executive. This is the effect of the Local Government Act 2000 and the Local Authorities (Functions and Responsibilities) (England) Regulations 2000. The requirement is reflected in the Council's Constitution, which makes the crime and disorder reduction strategy part of the Council's policy framework.
- 8.5. When planning action under the Community Safety Plan, it will be necessary for officers to have regard to the Council's statutory functions and ensure these are not exceeded.
- 8.6. Before adopting the Community Safety Plan, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't. An equality analysis is set out in the proposed Community Safety Plan that may form the basis of these considerations.

## **9. ONE TOWER HAMLETS CONSIDERATIONS**

- 9.1 Equalities analysis has been carried out on the priorities identified in the Plan (see appendix 2 of Community Safety Plan) with recommendations made for further considerations when supporting action plans are developed.

## **10. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

- 10.1 Implementation of the Community Safety Plan 2012 is expected to have a positive effect on the environment by helping to reduce anti-social behaviour. This will then reduce the amount of criminal damage, graffiti, fly-tipping and fly-posting and other environmental crimes in the borough.

## **11. RISK MANAGEMENT IMPLICATIONS**

- 11.1 The Community Safety Plan sets out an overarching structure and framework of priorities within which management of risks will take place. There are no particular risk management implications attached to the plan itself.

## **12. CRIME AND DISORDER REDUCTION IMPLICATIONS**

12.1 The Community Safety Plan 2012 will help to reduce crime and anti-social behaviour and meet the Mayors priorities whilst reducing fear of crime and contributing to relevant community plan commitments.

## **13. EFFICIENCY STATEMENT**

13.1 There are potentially significant efficiency gains from working in partnership to reduce crime and disorder in the borough. The Community Safety Plan 2012 is a partnership document and brings together key crime and disorder reduction agencies to work together and share resources.

13.2 There are also further efficiencies from addressing problems before they escalate, requiring less resource than would be necessary in dealing with a more serious problem at a later stage. These efficiencies would be spread across the Council and key partner agencies. This work is integrated in to the corporate efficiency planning processes supporting the Medium Term Financial Plan.

## **14. APPENDICES**

**Appendix A – Community Safety Plan 2012/13**

**Appendix B - Community Safety Plan 2013 onwards\* Development and Consultation Plan**

**Appendix C – Equalities Analysis**

**Appendix D - Membership of Community Safety Partnership and Delivery Structure**

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**Appendix A**

**Tower Hamlets Community Safety Plan**  
**2012-2013**

## **Foreword from Lutfur Rahman, Tower Hamlets Mayor**

A great deal has already been achieved in Tower Hamlets to ensure that the borough is a safer place in which to live and work. The performance review of the Community Safety Partnership Plan from 2008 to 2011 speaks for itself in terms of the significant reductions in crime over that period. However, I also know that crime and anti-social behaviour remains a key area of concern for residents, and it is essential that we continue to make progress in tackling these issues. That is why I have made Community Safety one of my top five priorities for my Mayoral term of office and I'm working to ensure delivery in the many aspects that contribute towards a safer and more cohesive community.



This plan sets out how the Tower Hamlets Partnership organisations, through the Safe and Cohesive Community Plan Delivery Group, will continue to tackle crime and ASB; protecting communities as the Partnership addresses the exceptional challenges that we face over the next twelve months.

The challenges to be faced are significant. They include the requirement for the Council and Partnership to meet major reductions in the funding that comes from central Government. The economic downturn also has an impact, driving some types of criminal behaviour and influencing drug and alcohol use at a time when the Partnership organisations must reduce costs. There are major organisational and governance changes underway for the Police, the Council and the local NHS, and while all this is taking place we are working hard to ensure that everyone can safely enjoy the Olympic and Paralympics Games next summer.

Whilst these challenges are pressing, the Council has strong partnerships and excellent practices to tackle them. We are continuing to work towards tackling inequality, strengthening cohesion and building community leadership and personal responsibility under the One Tower Hamlets programme. Recent disturbances across the country demonstrate our robust structures for handling incidents and issues of community tension. The comparatively low levels of disturbance we experienced in the borough is testament to the excellent work across the council and by our partners to engage our young people and tackle the root causes of crime. In addition, our response, both organisational and from the community, to the threat posed by the English Defence League is a visible demonstration of our strength in the face of adversity.

Since being elected I have taken steps to ensure that there are more police officers on our streets where they work alongside the Council's own Tower Hamlets Enforcement Officers, to reassure residents and reduce anti-social behaviour, and it is good to see that public confidence in the way the Police and Council deal with concerns of crime and ASB is stronger. The Council's service localisation processes, sharing operating bases with front line Police staff, is helping to ensure that our focus is on the specific issues that affect communities across the borough.

I will continue to seek and prioritise actions that take us towards achieving a safe and high quality environment in which our communities can thrive.

## **Introduction from Cllr Ohid Ahmed, Deputy Mayor and Co-Chair of Community Safety Partnership**

I believe that the residents of Tower Hamlets have the right to live safely in their local community with a good quality of life. The Community Safety Partnership Plan 2012 sets out our priorities as a partnership for the year to ensure that we achieve this for everyone in the borough.

I know that crime, anti-social behaviour and substance misuse are top priorities for residents in the borough. As the partnership continues to tackle these successfully we have seen an increase in residents feeling safer. The latest Annual Residents Survey, which took place in January 2011, showed that whilst crime remains our residents biggest priority, their concern about crime has reduced by 5% on the previous year (2010) and a 13% reduction on the year before that (2009).



Over the past 8 years partners in Tower Hamlets have made some of the largest year on year reductions in crime across London, in fact it is now 30% lower than it was in 2003. The Partnership is committed to maintain these reductions in the future and make Tower Hamlets one of the safest boroughs in London.

This document includes a summary of our performance over the past year, which, along with community views, has helped us to set the priorities within it. It has been developed and updated with the involvement of a wide range of partners including residents, police, council, fire brigade, probation, health, housing, voluntary, faith and community groups and businesses.

# The Community Safety Plan - Strategic Framework

The Community Safety Plan is a key document, established by the Tower Hamlets Partnership to ensure that actions towards achieving the Community Plan Vision and Safe & Cohesive theme are delivered. The group with responsibility for establishing and monitoring the Community Safety Plan is the Community Safety Partnership which is known locally as the Safe & Cohesive Community Plan Delivery Group.

Further details of the relevant plans, strategies and governance arrangements are set out in the section.

## Our Community Plan to 2020

The overall vision for the Community Plan remains to:

*'Improve the lives of all those living and working in the borough'*.

Turning this vision into reality requires us to achieve four priorities, articulated as the four themes of the Community Plan:

### A Great Place to Live

- Tower Hamlets will be a place where people live in quality affordable housing, located in clean and safe neighbourhoods served by well connected and easy to access services and community facilities.

### A Prosperous Community

- Tower Hamlets will be a place where everyone, regardless of their background and circumstances, has the aspiration and opportunity to achieve their full potential.

### A Safe and Cohesive Community

- Tower Hamlets will be a safer place where people feel safer, get on better together and difference is not seen as threat, but core strength of the borough.

### A Healthy and Supportive Community

- Tower Hamlets will be a place where people are supported to live healthier, more independent lives and the risk of harm and neglect to vulnerable children and adults is reduced.

The focus of the **Safe and Cohesive Community** theme is on reducing crime, drugs and anti social behaviour and on building a more cohesive and resilient community. Previously the crime agenda came under the Safe and Supportive Community plan theme. The 'supportive' element of this is now incorporated in the Healthy and Supportive Community theme, to better recognise the interface between health and social care.

Though presented as four distinct themes, these priorities are not mutually exclusive but interdependent. For example, improving housing, employment and health will all reduce crime and vice versa. Collectively these themes are aimed at delivering the social, economic and environmental changes necessary to improve the lives of local people.



More detail on the vision for a Safe and Cohesive Community is included in the section below.

The Community Plan priorities are underpinned by four cross-cutting principles that will guide how we work together to achieve our shared vision. These principles apply to each of the Community Plan themes and are integral to the delivery of the Plan. They are as follows:

### One Tower Hamlets: tackling inequality, strengthening cohesion and building community leadership

- During the refresh of the Community Plan in 2008 residents articulated their worries that the achievements and aspirations of the borough could be undermined by community tensions arising from the experience of inequality in a diverse area. Since then 'One Tower Hamlets' has become more than a unifying slogan and is a cycle of action underpinning and overarching all we do. In a tough economic and political climate it describes our vision and values and thereby builds the resilience of partners, their staff, residents and elected councillors to seek the right local solutions to reduce crime. One Tower Hamlets therefore is key to challenging the many forms of crime (including Hate Crime), anti-social behaviour and drug and alcohol misuse arising from poverty and inequality.

### Tackling inequality through efficiency and the delivery value for money services

- We are experiencing the most financially challenging time for public services ever. As such, we need to ensure that our approach to crime and cohesion becomes more efficient and uses resources more effectively through a robust understanding of the communities we serve and their needs.

### Strengthening cohesion through engagement with a powerful public

- Action by any one agency alone cannot reduce crime and anti-social behaviour or improve cohesion. We need to continue to work together both internally and externally through generic working, joint tasking, development of intelligence and analytical models, asset sharing and joint commissioning. In turn staff that see themselves as partners are better able to work with local people on finding local solutions. This will involve building on our strong history of using innovative methods to engage the borough's diverse communities to help improve services.

### Building community leadership and responsibility through delivering services closer to people

- Our localisation programme is bringing services together locally, increasing coordination and local knowledge, and enabling local people to take greater ownership of their services. This relationship has the potential to get to the heart of reducing crime where it most impacts on everyday life.

There is therefore a business, moral and reputational case for making 'One Tower Hamlets' real. In addition since April 2011 we have a statutory duty to have 'due regard' to the public sector Equality Duty to:

- Eliminate harassment and discrimination
- Advance equality of opportunity
- Foster good relation between different people

All public bodies are subject to the Duty, as are private and third sector organisations providing public services. It involves having an understanding of our communities and workforces based on the 'protected characteristics' of age, disability, gender reassignment, pregnancy and maternity, race, religion/belief, sex and sexuality. Reducing crime effectively will be a fundamental way of demonstrating 'due regard' in Tower Hamlets.

## **A Safe & Cohesive Community**

As set out in our refreshed Community Plan to 2020, our vision for a Safe and Cohesive Community is:

*To have a safer Tower Hamlets: a place where everyone feels safe, gets on better together and difference is not seen as threat but a core strength of the borough.*

### **Challenges and Opportunities for Tower Hamlets**

Over the past 8 years, the partnership agencies in Tower Hamlets have made some of the largest year on year reductions of crime when compared to the rest of London. Crime in the borough is now 30% lower than it was 8 years ago although rates continue to be amongst the highest in London. We recognise that reducing crime alone is not enough; residents need to feel safer in their neighbourhood and when moving about the borough.

Visible crime plays a strong role in people's sense of feeling safe; this includes drug use and drug dealing, with many people reporting it to be a problem in their local area, particularly around Bethnal Green, Spitalfields and Banglatown.

Anti-social behaviour (ASB) is also a key driver to people feeling unsafe. ASB is a complex issue. What might be perceived as antisocial behaviour by one group could be seen by others as appropriate use of public space. What is clear is that ASB affects all members of our community. It can blight neighbourhoods and affect people's wellbeing.

The Tower Hamlets Partnership defines ASB as any aggressive, intimidating or destructive activity which damages or destroys another person's quality of life. Better managing ASB, particularly low-level persistent ASB such as nuisance and intimidating behaviour, is crucial to improving people's sense of feeling safe. Residents have told us that the council's Tower Hamlets Enforcement Officers (THEOs) and the Police Safer Neighbourhood Teams have improved the levels of visible enforcement and made them feel safer but believe that more needs to be done to tackle and prevent crime in the borough.

The Annual Residents Survey (ARS) 2010/11 results show that whilst crime remains the biggest overall concern for residents, with 42% Tower Hamlets residents listing it as an area of personal concern, this figure shows a 5% reduction from 2009/10 and a 13% reduction since 2007/08. Much of this perception change is linked directly to the steadily improving perceptions local people have regarding the level of ASB in their area. Since 2008 residents perceptions of all main categories of ASB being a big or very big problem has dropped significantly.

- Teenagers hanging around on the streets (from 67% to 54%)
- People using or dealing drugs (from 62% to 52%)
- Drunk or Rowdy behaviour (from 47% to 40%)
- Vandalism and graffiti (from 54% to 37%)
- Abandoned cars (27% to 12%)

However, we are now entering an incredibly challenging period. We are facing the run up to the Olympic Games coinciding with unprecedented public sector budget cuts, punitive welfare reforms and a faltering economy. It has the potential of a perfect storm of circumstances that is likely to manifest in significant upward pressures in all areas of Crime and ASB.

The Metropolitan Police is currently proposing a policy of reducing the numbers of Police counter service facilities (Public 'walk in' police offices staffed with a public facing counter service) across London. This will result in a reduction of such facilities in the Borough. The Police case is that modern methods of communication and telephone channels no longer require so many counter based facilities and they are realigning the service to reflect modern shifts in communication.

Currently public counters exist at Bethnal Green, Bow, Limehouse, Brick Lane, and the Isle of Dogs. Lime House and Bethnal Green are open 24 hours and the others have restricted opening times. The London Wide MPS review sought views on closing all counters, apart from one in each borough that may be open 24 hrs. There is also a possibility that that some boroughs may be required to share a 24 hr front counter.

However, in Tower Hamlets, a high proportion of residents remain technology poor and are less likely to use alternative reporting routes. It is currently not clear at a borough level what business data on visitor numbers has been used or the extent to which the move is supported or understood by residents.

Tower Hamlets has long been a place where people from different backgrounds have lived together and there are now over 90 languages spoken in the borough. Part of the vibrancy and strength of the borough is its historic attraction of diverse people and communities. However, a fear of crime, a lack of understanding of difference between some communities and the historic social and economic challenges facing the borough, can threaten its cohesiveness. Strengthening community cohesion is important as it impacts upon the social fabric of the borough and the wellbeing of residents.

If the Council and its partners are to be able to go forward together and tackle the challenges outlined above, a comprehensive review of our enforcement functions are required to ensure that we can quickly target enforcement services where they are most needed, in a way that is intelligent which has a visible impact.

### **Making Tower Hamlets a Safe and Cohesive Community**

The Partnership's problem-solving approach to tackling crime focuses on the victim, offender and location of crime to better detect and prevent crime. We know that the majority of crimes are committed by a small group of people and are concentrated in particular areas across the borough. Shared crime data will be used to analyse crime trends and develop better initiatives to target crime hotspots.

This is underpinned by a stronger focus on enforcement. The Council and Police will use existing enforcement powers, particularly on licensing, to target anti-social behaviour around particular premises and establishments. Local partners will be bringing together their enforcement resources to ensure that effort is targeted

where it is most needed in a co-ordinated way to achieve maximum impact. For example we have integrated local police and Council enforcement services in the Toby Club, to effectively deploy our resources in one of the highest crime areas in the borough, and the next shared facility is already being planned.

This strong enforcement approach is coupled with interventionist support to address the socio-economic causes of crime and anti-social behaviour. Poverty, deprivation, poor parenting and a lack of positive activities often lead people, particularly young people, into anti-social and criminal activities. Providing support for those at risk of criminal activity, including effective treatment for problematic drug users and housing and employment support for ex-offenders will help prevent crime and social exclusion.

Greater community involvement in community safety and in holding the police and community safety partnership to account is crucial to making Tower Hamlets a safer and more cohesive borough. We will make greater use of ward panels, neighbourhood watch groups, police volunteers, police cadets and the Police and Community Safety Board – a resident-led body informing policing priorities – to help improve local policing. Using the community role of Councillors will also be crucial both at a ward and borough-wide level using the expertise and different perspectives of Executive members and those on Overview and Scrutiny.

A fundamental aspect to cohesion is the perception of fairness. Tensions often arise between communities when one group feels that it is being treated less favourably compared to another. Our approach to fostering community cohesion is based on providing inclusive services and working closer with communities. The way we deliver services and take decisions has a significant impact on how people feel about their local area and perceptions of fairness. We will work with communities to help build stronger relationships between people. Promoting community cohesion amongst our young people is an important aspect of this. It will help support interaction, mutual understanding and respect between and within communities.

The work of the borough's community forums, including the Inter Faith Forum, Rainbow Hamlets (our local LGBT forum), the New Residents and Refugees Forum and the No Place for Hate Campaign, will be important to celebrating and strengthening community cohesion. Local community leaders also have an integral role to play in fostering community cohesion. Councillors, for example, have championed cohesion in the borough, spearheading innovative work to tackle cohesion issues.

Tackling violent extremism remains a key priority for the Partnership. We are currently evaluating what we have learnt over the last three years about the risk of violent extremism in Tower Hamlets and what works in reducing the vulnerability of individuals to extremism and improving community resilience. We are using this information to develop a more effective and flexible local response to preventing extremism and applying learning in key service areas including youth services and safeguarding. The government recently published its new Prevent Strategy and work is progressing with partners to develop our local response.

To make Tower Hamlets a Safe and Cohesive Community the Partnership will focus on achieving the following objectives:

- Objective 1: Focusing on crime and anti-social behaviour
- Objective 2: Reducing re-offending
- Objective 3: Reducing the fear of crime
- Objective 4: Fostering greater community cohesion
- Objective 5: Tackling violent extremism

### **One Tower Hamlets Focus**

As part of making Tower Hamlets a safer borough the Partnership is committed to reducing crime and making people feel safer, including protecting and supporting victims of crime. The borough has experienced an increase in violence against women which remains largely hidden and victims often suffer in silence. Children who experience domestic violence are denied the safety and protection they need at home to achieve and become confident, healthy adults.

Hate crime also remains a challenge for the borough. Diversity is one of the borough's key strengths and the majority of people get on well together. However there can be levels of tension between groups. If these are left unchecked they can undermine cohesion in the borough and make people feel unsafe, denying them of the right to live, work and study in the borough safe from fear and intimidation.

The Partnership recognises the importance of cohesion to delivering One Tower Hamlets and the Community Plan priorities. It will work together to foster cohesion supported by a shared cohesion framework.

In order to achieve our commitments to One Tower Hamlets we will:

- Prevent and reduce violence against women and girls.
- Target all forms of hate crime and anti-social behaviour.
- Develop and deliver the Partnership's approach to community cohesion.

### **Contributing Partnership Strategies**

Alongside this document, the following strategies will help make Tower Hamlets more safe and cohesive:

- Children and Young People's Plan
- Substance Misuse Strategy 2011-2014 (Drugs & Alcohol)
- Violence Against Women and Girls Strategy
- Integrated Offender Management Plan
- PREVENT Plan (under review in line with National Guidance)
- ASB Profile
- Hate Crime Strategy

## A Safe & Cohesive Community - Delivery Structure

The Safe & Cohesive Community Plan Delivery Group (Community Safety Partnership) exists to ensure there is efficient and effective governance, reporting and accountability against the Community Plan themes and vision. The delivery structure brings together two approaches:

### The VOLT model

VOLT stands for Victim – Offender – Location - Time: These are the elements that make up virtually any crime. This model has been developed by the Metropolitan Police Service to help ensure best use of resources. It does this by helping ensure that the right resources are in the right place at the right time and targeting the priorities identified through analytical intelligence. The result is enhanced operational co-ordination.

The VOLT approach is reflected in the CSP governance model:

- The Domestic Violence and Hate Crime Boards are primarily **victim** focussed
- The approach to **offenders** is to be co-ordinated through a single Integrated Offender Management Board
- **Locations** are at the centre of Service Integration work detailed below which has adopted a Joint Tasking approach to ensure that resources are deployed at the most appropriate **location** and **time**. This will be monitored through the Crime & Anti-Social Behaviour Reduction Board.

### Service Integration

The Service Integration Teams will seek to make best use of existing local structures to enable effective tasking and resolution of identified local priorities and problem solving. This involves a review of the way we engage residents, work together to solve problems and implement strategy.

The Service Integration Team will have 3 characteristics:

- Neighbourhood focus to enable direct management of service standards and local accountability by residents through the Neighbourhood Agreement.
- Locality prioritisation through the Police Safer Neighbourhood Ward Panels. The recommendation is that the Ward Panels will set at least 3 community priorities which will cover policing and LBTH Communities Localities and Culture priorities. It will become the responsibility of the Service Integration Team to problem solve against these priorities.
- Strategic delivery and accountability: Service Integration Teams will be responsible for the local delivery of the Community Safety Plan. Cross-agency activity will be co-ordinated through joint tasking on a monthly or more frequent basis. The Crime & Anti-social Behaviour Reduction Board will meet quarterly to monitor the performance of each of the Service Integration Teams.

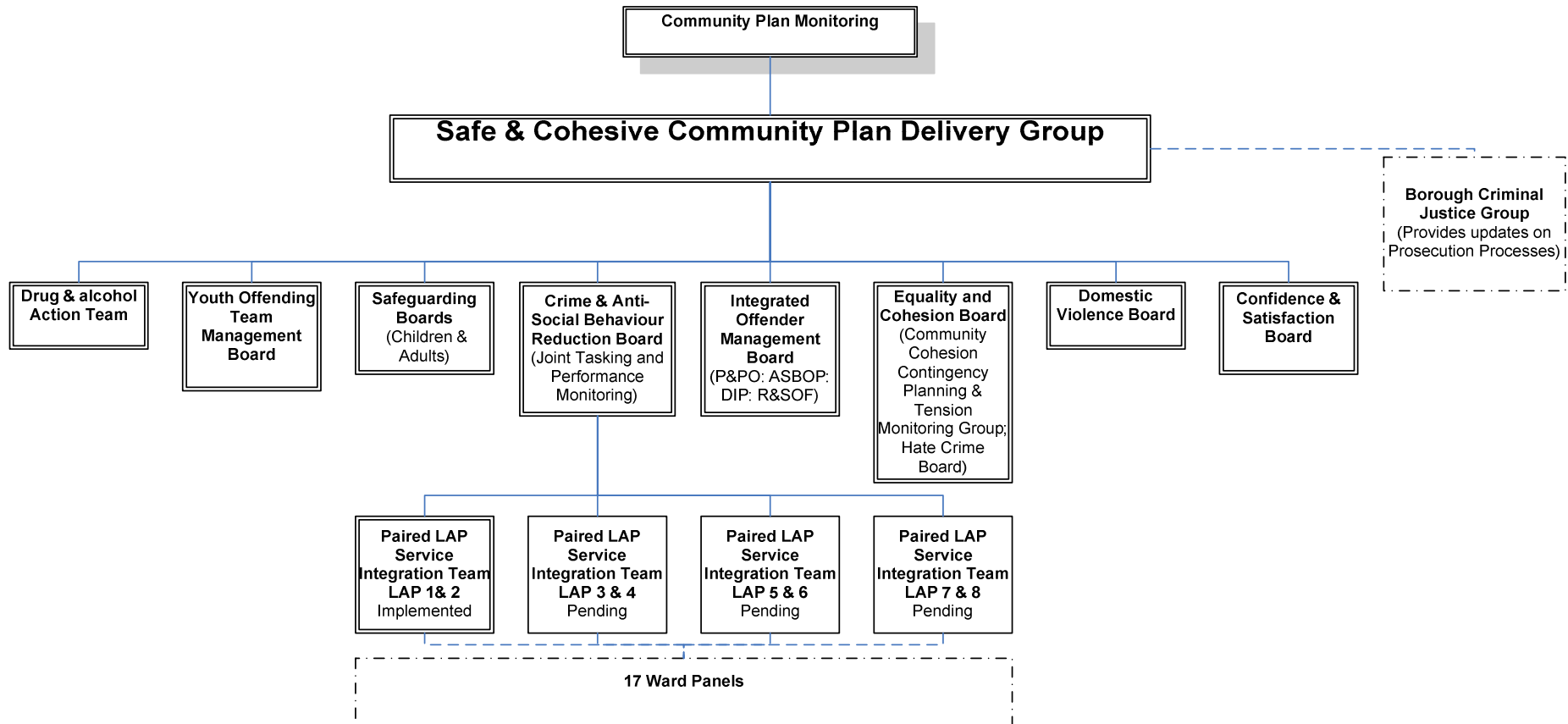
In addition to the arrangements outlined above, there is a statutory requirement to have a Drug and Alcohol Action Team board, a Youth Offending Board, and the Adults Safeguarding Board.

Other boards exist that do not specifically fit the VOLT / Service Integration model outlined above due to their specific focus. These include the Cohesion Board and the Confidence & Satisfaction Board which are detailed below.

The diagram on the following page shows the delivery structure for the Safe & Cohesive Community Plan Delivery Group (Community Safety Partnership):



# Safe and Cohesive Community Delivery Structure



With regard to each of the groups within this structure:

- **Safe & Cohesive Community Plan Delivery Group (Community Safety Partnership)**

This group is accountable for the reduction of crime and increasing community cohesion. It will determine priorities and oversee the statutory and non-statutory boards and panels responsible for the specific elements of this. It meets on a bi-monthly basis and is co-chaired by the Metropolitan Police Service Tower Hamlets Borough Commander and the Deputy Mayor for Tower Hamlets with responsibility for Community Safety. It is also responsible for ensuring that the Partners meet their statutory obligations in relation to strategic review and planning for the safety of the borough's community. Membership to this Group is at Chief Executive or Corporate Director level across key public agencies. For a full list of members see Appendix 3

- **Youth Offending Team Management Board**

The YOT Management Board oversees the youth offending multi-agency team which comprises of staff from; the Council; Police; Social Services; Education; Youth Service; Probation and the Health Service. The team works with young people from arrest through to sentencing. They provide services to the youth court, and work with young people given final warnings from the police and those given community sentences. The team also works with young people and the community to prevent young people from entering the criminal justice system.

- **Safeguarding Boards (Children & Adults)**

These two separate multi agency steering groups comprise of lead officers from; Health; Police; Housing; Education; Commissioning Bodies; Voluntary Sector; Probation; Legal Services; Department of working Pensions; and Social Services who are the lead agency. The steering groups co-ordinate activity aimed at ensuring that vulnerable children and adults are protected through the application of the London Borough of Tower Hamlet's Children and Adult Protection Policies.

- **Drug & Alcohol Action Team Board**

This is chaired by the council Corporate Director for Communities, Localities and Culture, with membership consisting of representatives from the Tower Hamlets NHS Primary Care Trust (PCT), the Metropolitan Police Service, The National Probation Service and LBTH Adult and Children's (social) services. It is a statutory board with responsibilities for coordinating and commissioning services relating to drug and alcohol treatment; young people's treatment, education and prevention developing community capacity; and tackling the availability of drugs.

- **Domestic Violence Board**

This board oversees our multi-agency approach to domestic violence. It has oversight of the Multi Agency Risk Assessment Case conference (MARAC) and monitors the effectiveness of the Serious Domestic Violence Court.

- **Crime & Anti-Social Behaviour Reduction Board**

This Board will be established as part of the programme to join together service delivery in the localities. The group will meet quarterly to monitor the performance of each Service Integration Team (SIT). On a monthly basis this group will carryout joint tasking across all 4 Service Integration Teams. The membership of this group will include Service Heads from CLC, Police Superintendent, and the Service Head Youth Services. Day to day management of the SIT's will be the responsibility of the Locality Co-ordinator with monthly meetings chaired by Chief Inspector or CLC Service Head on a rotating basis. External partners such as Head Teachers, RSL's, and religious leaders will also be invited to these monthly meetings.

- **Integrated Offender Management**

This new group will responsible for the management of offenders in the community. It brings together a range of activity including the Priority Prolific Offender Scheme, the Youth Offending Team, Probation and the Drugs Intervention Programme. The objective of this work is to increase community safety through reducing re-offending.

- **Equality and Cohesion Board**

This board has responsibility for the delivery of the Preventing Violent Extremism (Prevent) programme and partnership work to promote cohesion. It also has oversight of the Community Cohesion Contingency Planning & Tension Monitoring Group, the Hate Crime Board and the Preventing Violent Extremism Programme Board.

- **Confidence & Satisfaction Board**

The confidence and satisfaction of the community in our shared approach to crime and cohesion are key success measures. This group will have an overview of activity to ensure that community views and concerns are understood and addressed efficiently and effectively. It will also ensure that residents have access to relevant information, including feedback of actions taken.

NB. Key Partners of the Community Safety Partnership also come together for Olympic Planning via the Olympic Planning Operations Group for the period leading up to and including the Olympic and Paralympic Games.

## **Drivers of Crime & Anti-Social Behaviour**

For a crime to take place there needs to be reason. If a crime is an effect, then the cause or 'driver' as we call it is normally that reason.

There can be many reasons for crime and anti-social behaviour to take place. Drivers include poverty and unemployment, both of which are high within the borough. Others can include poor parenting, low academic achievement or society in general. Two key drivers within the borough are drugs and alcohol.

In some respects, the Olympics could also be seen as a driver of crime, due to the increased population both leading up to and during the games.

### ***Drugs***

<sup>1</sup>There is a clear link between dependent drug users of Class A drugs, like heroin and crack cocaine, and acquisitive crimes, such as theft, burglary, robbery, fraud and shoplifting committed in order to fund that habit. People arrested for "trigger offences" – those most associated with drug use – are tested for drugs and many test positive.

A Class A drug habit may cost the user in the region of £15,000 - £30,000 a year. As stolen goods may only sell for about a third of their value, this could mean a single user being responsible for up to £90,000 per year of acquisitive crime.

There are an estimated 130,000 - 200,000 problematic drug users in the United Kingdom. It is estimated that the market value of goods stolen to fund drugs habits in the UK could be £2 - £2.5 billion each year.

Drugs are linked to crime and anti-social behaviour in a number of other ways. There are the crimes of possession, supply of drugs and driving whilst unfit through drugs. However there are also links to violence and possession of weapons, particularly relating to drug dealing.

Drug use and dealing can also lead to anti-social behaviour due to the effects it has on the surrounding community. Drugs can cause users to act differently, becoming less considerate of others, more abusive and sometimes violent. Drug users may also discard drugs paraphernalia once they have taken it, leading to drugs litter such as needles. Groups of people congregating in public to use drugs can impact on the local community's feeling of safety and confidence to go out in public.

A high percentage of sex workers are addicted to Class A drugs. Whilst prostitution itself is not a crime, in some cases it can have negative impacts on the local community, through anti-social behaviour, sex acts taking place in public and discarded condoms.

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<sup>1</sup>Drugscope How much crime is drug related? January 2004

## **Alcohol**

Alcohol affects the human body by lowering inhibitions, increasing the likelihood of making bad decisions, misinterpreting situations and acting out of character. All these effects on the human body can make a person more likely to be either a victim or perpetrator of crime.

Alcohol is often linked to violence and anti-social behaviour, Drink Aware estimated that 23,000 alcohol related incidents take place in the UK every week, including street fights, breaches of the peace and drunk and disorderly conduct.

Research by the Home Office found that more than half of all violent crime is committed by offenders who are drunk and more than a third happens in and around pubs and clubs. One third of all reported domestic violence is linked to alcohol misuse. The British Medical Association has said that Alcohol is a factor in:

- 60 -70% of homicides
- 75% of stabbings
- 70% of beatings
- 50% of fights and domestic assaults

It is important to emphasise that the majority of people who drink alcohol are not violent but drinking increases the likelihood of being a victim of alcohol related violence.

According to the Home Office<sup>2</sup>, the overall cost of crime and anti-social behaviour linked to alcohol misuse in the UK is estimated at between £8 and £13 billion per year. This is solely based on the crime element of alcohol misuse and does not include the costs which are borne by the NHS for related health conditions. The rate of alcohol related hospital admissions is increasing by 70,000 every year.

Alcohol misuse is known to be a driver for violence towards strangers in public places (including in and around licensed premises) and towards family members (domestically in the home). Nationally, it is estimated that nearly half of all violent crimes and anti-social behaviour is alcohol related.

Alcohol misuse is closely linked to anti-social behaviour in a number of ways, all stemming from the effect that alcohol has on the user's behaviour. People drinking in licensed premises can cause disturbances in the surrounding area as they make loud noises upon leaving, are less considerate to local residents, discard rubbish (either empty bottles/cans or food) and urinate in public.

Alcohol misuse in public places can impact on the community's feeling of safety and confidence to go out in public as residents report feeling intimidated, particularly by noisy, abusive and inconsiderate behaviour.

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<sup>2</sup>Home Office 19-01-2010 "Government reveals tough new powers to tackle alcohol crime"

## ***Olympics***

From one perspective, the Olympics and Paralympics can be seen as a driver of crime and anti-social behaviour, through attracting larger numbers of people into Tower Hamlets and London more generally, including through employment, development, and to attend events. This may impact in a negative way through providing more opportunities to commit crime.

Particular phases of the Olympics could stimulate an increase in specific types of crime and anti-social behaviour, for example the construction of venues could link to acquisitive crime from building sites and contractor vehicles and the 'games time' may be linked to increases in prostitution, robbery, domestic violence and drug dealing.

Analysis of over 100 crime and disorder documents relating to Tower Hamlets, the national picture and the international picture has shown the following are potential risks related to the Olympics and the large number of people entering and or gathering in Tower Hamlets:

Large public gatherings / events and sporting events can lead to alcohol consumption, assaults, robbery, theft, disorder, recreational drug use, drug dealing and anti-social behaviour as they leave the venues.

Large influx of tourists unfamiliar with the local environment can lead to increases of theft and robbery.

World media attention on the area can lead to increases in public protests and counter demonstrations and in turn flash points for disorder, criminal damage and violence.

Increased demand for prostitution can lead to increases in people trafficking, sexual exploitation and related anti-social behaviour.

Increased alcohol consumption following sporting events often leads to increases in anti-social behaviour and domestic violence.

Disruption to the public transport network could impact of drug treatment services which in turn could lead to increases in drug use and acquisitive crime.

It is important to remember that while the Olympics can be seen as a driver for crime and anti-social behaviour, the partnership's effort to manage the potential risks could also have positive effects on crime and public perceptions of safety. For example, an increased level of service resourcing and highly visible officers in the public realm could act as a deterrent for opportunist crime and also increase public feelings of safety and confidence in partnership agencies. This increased high visibility could also act as a deterrent to criminals in the surrounding areas.

Evidence gathered from previous Olympic host cities has shown that crime and ASB increase both in absolute terms and rates. For example, downtown Vancouver experienced 30% increase in overall violent crime during the 2010 Winter Games while Manchester reported a similar uplift during the Commonwealth Games in 2002 (personal communication from Mark Ross, Business Link Manager). As a consequence of the Olympics and Paralympics, it is therefore highly likely that partner agencies will face significant rises in local crime and ASB reports across the summer of 2012 which may jeopardise targets based on Key Performance Indicators (KPIs) and statutory response times.



## **Community Safety Plan Priorities**

The Community Safety Partnership is made up of a large number of agencies who have a responsibility to tackle crime and anti-social behaviour or to improve community cohesion. As a partnership, we are committed to the following priorities in 2012-13.

### ***Violence***

Violent crime has a far reaching and enduring effect on its victims. The fear of violent crime within a community can greatly affect the way that the community behaves and interacts. These crimes by their very nature have an effect on the victim which is often traumatic and life long. Often a single encounter of a violent nature will cause an individual to change the way in which they conduct their lives, often to the detriment and hardship of the victim.

Our approach to violent crime is focussed on tackling and reducing all types of violent crime within the community. Violence includes gun crime, knife crime, 'most serious violence' and 'assault with injury'<sup>3</sup>

The partnership also recognises the seriousness of violence towards hospital and ambulance workers. It will improve data sharing protocols to increase reporting and robust prosecutions.

#### **Measures of the partnership's performance on Violence include:**

- Number of 'Most serious violence' offences (formerly NI15)
- Most serious violence Sanctioned Detection (SD) rate
- Number of Gun Crimes and Gun Crime SD Rate
- Number of Knife Crimes and Knife crime SD Rate
- Number of Assaults with Injury

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<sup>3</sup> Gun Crime

Violence Against the Person, robbery, burglary and sexual offences in which a firearm (defined as a weapon covered by Firearms Acts 1968 to 1988 and excluding CS/pepper spray) are used.

#### **Knife Crime**

All offences of Murder, attempted murder, threats to kill, manslaughter, infanticide, wounding or carrying out an act endangering life, GBH without intent, ABH and other injury, sexual assault, rape, robbery where a knife or sharp instrument (defined as any instrument that can pierce the skin) has been used.

#### **Most serious violence & assault with injury**

MSV: Homicide and Child Destruction, Attempted Murder, Wounding or other act endangering life, GBH (Part), Causing Death by Dangerous/Careless/ Inconsiderate Driving, Causing Death by Aggravated Vehicle Taking.  
Assault with injury: ABH and other injury and racially or religiously aggravated ABH and other injury



## ***Serious Acquisitive Crime***

An acquisitive crime is one where the victim is permanently deprived of something that belongs to them by another person/s. Serious acquisitive crimes are the most harmful which include burglary, robbery and vehicle crime (both theft from and theft of a motor vehicle). These crimes are often committed by a small number of prolific offenders with drug misuse acting as a driver and the proceeds of acquisitive crime used to fund addictions.

Acquisitive crimes have a high impact on the community's feeling of safety and dealing with acquisitive crime quickly has the biggest impact on levels of public confidence in local community safety agencies.

Integrated offender management and targeted work around prolific and priority offenders is key to reducing these types of crimes. Working in partnership, agencies such as the Police, Probation, Drug Treatment Services and the Council can manage these offenders by providing a range of interventions from treatment and support which seek to address the causes, to criminal justice interventions such as the courts.

Our work in this area focuses on residential burglary, robbery and motor vehicle crime. It utilises an intelligence and evidence based approach to target activity in areas where it will make the most difference, such as around markets and transport hubs. Around transport hubs it will require partnership officers to work closely with Police Safer Transport Teams, Transport For London and the British Transport Police, to ensure people are safe on journeys in Tower Hamlets.

While community safety agencies have a responsibility to prevent, investigate and bring offenders to justice for acquisitive crimes, the community also have a responsibility to take reasonable steps to safeguard their property and prevent crime from happening in the first place. Following crime prevention advice and participating in Neighbourhood Watch Schemes will be crucial in helping us to reduce this type of crime.

### **Measures of the partnership's performance on Serious Acquisitive Crime include:**

- Number of Serious Acquisitive Crimes (formerly NI16)
- Number of Personal Robberies
- Number of Commercial Robberies
- Total Robbery numbers
- Robbery SD Rate
- Number of Residential Burglaries\*\*
- Residential Burglary SD Rate
- Residential Burglary SD Rate excluding offences Taken Into Consideration (TIC)
- Number of thefts of Motor Vehicles
- Number of thefts From Motor Vehicles
- Serious Acquisitive Crime SD Rate

## **Youth**

While Tower Hamlets has one of London's highest proportions of young people in its population, young offenders are a small, but growing minority within that population. In the recent London disturbances only seven young people residing in Tower Hamlets were charged with related offences.

Priority areas set by the Government for the coming year for Youth Offending Services (YOS) are;

- The Reduction of First Time Entrants to the Youth Justice System
- The Reduction of Custody (remands and Custodial Sentences)
- The Reduction of Re-offending

Serious Youth Violence, Youth Violence and Youth Anti-Social Behaviour rightly remain a concern for the Community Safety Partnership and are part of our strategic plan.

The Partnership and the Mayor's priorities show commitment to improving youth educational attainment thereby giving young people positive futures to work towards. We hope to continue to intervene early to divert young people from crime and anti-social behaviour by providing positive activities for young people, and supporting them to resist entering into destructive lifestyles, anti-social behaviour or criminality. Our record in doing so through the YOS Early Intervention and Prevention strand is well documented in the current Strategic Review Update draft as follows.

### **First Time Entrants (FTE) 2010/11**

The 2010/11 rate per 100,000 is the lowest since records began in 2000/01. Since 2009, the youth offending service has been able to make a significant reduction in the FTE rate per 100,000 youth population, despite the rise in the number of young people receiving pre-court disposals. In 2010/11, we exceeded our FTE target; however, it remains above the London average.

Despite the evident success of the Early Intervention/Prevention work of the Youth Offending Service, the demand on the statutory services of the Youth Offending Team has still increased - and the threat to the continuation of early intervention work through uncertain funding (The service is not funded beyond March 2012) represents an additional threat in terms of achieving all of the Government's targets - If Early Intervention is discontinued, Re-offending and Custodial rates will inevitably increase. This is a further concern for Community Safety and the Council's budget as the government is transferring the cost of custody to the Local Authority and introducing Payment by Results for our service.

## The Reduction of Custody (remands and Custodial Sentences)

### The Reduction of Re-offending

The Youth Offending Team has recently been subject to a Core Case Inspection by HMIP which focussed on three areas;

- The Safeguarding of young people
- The Management of Harm (Public Protection)
- The Likelihood of Re-offending

Findings were as follows:

	Scores from Wales and the English regions that have been inspected to date			Scores for Tower Hamlets and City YOT
	Lowest	Highest	Average	
<b>'Safeguarding' work</b> (action to protect the young person)	37%	91%	68%	<b>64%</b>
<b>'Risk of Harm to others' work</b> (action to protect the public)	36%	85%	63%	<b>49%</b>
<b>'Likelihood of Re-offending' work</b> (individual less likely to re-offend)	43%	87%	71%	<b>71%</b>

Our plan for the coming year in the statutory area of work is to devise and implement a robust action plan to raise our performance in these areas - whilst we recognise that the Inspection focussed on processes rather than outcomes for children and young people (in the latter our performance is strong) we fully accept the Inspectorate's findings that our assessment of offenders needs and the delivery of our work could be smarter, more efficient and even more effective. We will also continue to innovate and adapt as the Ministry of Justice becomes our governing body, with the imminent demise of the Youth Justice Board for England and Wales.

For example, along with Hackney (as lead Authority) Haringey, Islington, Newham, Redbridge and Waltham Forest we are embarking on a two year "Youth Justice Re-investment" grant funded (Reducing Pathways to Custody) pilot using Multi-Systemic Therapy to work with Offenders on the brink of custody and their families where home conditions and relationships are assessed to be a core cause of offending. This is one of the first "Payment by Results" pilot schemes in the country it commenced in October 2011

#### Measures of the partnership's performance on Youth include:

- Number of Serious Youth Violence and Youth Violence offences
- Triage diverting 1<sup>st</sup> time offenders from Youth Justice Board
  - a) referrals to triage
  - b) satisfactory completion of intervention
  - c) satisfactory completion of intervention who go on to re-offend
  - d) failed to complete intervention who go on to re-offend
- Rate of proven re-offending by young offenders (formerly NI19)

## ***Violence Against Women and Girls***

Violence against women and girls includes domestic abuse / violence where the victim knows the offender / perpetrator, sexual offences where the offender is not known to the victim and crimes such as female genital mutilation and honour based violence. Sex workers are particularly at risk of being exploited and victimised in these ways and so are specifically considered as part of this section.

Domestic abuse is defined as any incident of threatening behaviour, violence or abuse which is of a psychological, physical, sexual, financial or emotional nature between two adults who are or have been intimate partners regardless of gender. It also includes family members which are defined as mother, father, son, daughter, brother, and sister, grandparents, in-laws and step family. It is a major cause of homelessness, as well as a factor in a high proportion of child protection cases.

Our work on domestic violence is focused on increasing reporting, increasing successful prosecutions, and reducing incidents.

We aim to prevent domestic violence and reduce the harm it causes by developing a co-ordinated community response that supports and protects victims, holds abusers to account and reduces social tolerance through awareness raising campaigns and community education activities. The Tower Hamlets Multi Agency Risk Assessment Conference ensures that high risk victims are identified and assessed so that each is given the appropriate level of support from suitable agencies. The Specialist Domestic Violence Court ensures that court cases are fast tracked and victims effectively supported to ensure that more cases are successful at court.

Female prostitutes are often at risk of violent crime in the course of their work which can include both physical and sexual attacks, including rape. Perpetrators of such offences include violent clients and pimps. Many prostitutes or sex workers also face domestic abuse / violence from their partners, especially if the partner is also their pimp. Violence is a common mechanism of control.

There tend to be higher levels of violence committed against street sex workers compared with off-street workers, the latter often going unreported to the police. Prostitutes often put themselves at increased risk by taking their clients to 'out of the way' places, where they are less likely to be interrupted.

There is evidence that trafficked women are working in the borough. The increase in human trafficking for sexual exploitation is also fuelling the market for prostitution in the UK, although this is largely confined to off street and residential premises such as brothels, massage parlours, saunas and in residential flats. This is a lucrative business and is often linked with other organised criminal activity such as immigration crime, violence, drug abuse and money laundering. Women may be vulnerable to exploitation because of their immigration status, economic situation or, more often, because they are subjected to abuse, coercion and violence.

Safe Exit at Toynbee Hall is a key agency bringing together voluntary and statutory agencies to develop better services for people in prostitution and to reduce the impact of prostitution on communities. They work in partnership on strategies to reduce harm to those involved, to support them to change their lifestyles and to prevent vulnerable people entering prostitution.

The Partnership's work on sexual violence focuses on increasing reporting and prosecutions, reducing incidents and raising awareness of services. We will work on encouraging victims to report these crimes to the police, and encouraging take up of specialist support available, for example, through Haven Sexual Assault Referral Centre, in Whitechapel. We will focus on providing training to key professionals such as health service and housing providers to increase their understanding of the issues involved.

**Measures of the partnership's performance on Violence Against Women and Girls include:**

- Number of domestic Violence Offences
- Domestic Violence SD Rate
- Domestic Offence Arrest Rate
- Number of rapes
- Rape SD rate
- Number of other Serious Sexual Offences\*\*\*
- Other Serious Sexual Offences SD Rate
- Reduce the length of time Domestic Violence is experienced before it is initially reported to a specialist agency.
- Number of repeat incidents of domestic violence
- Number of DV Murders (was NI34)

\*\*\* Other Serious Sexual Offences – includes sexual activity involving a child under 16, incest or familial sexual offences, exploitation of prostitution, soliciting for the purpose of prostitution, abuse of position of trust of a sexual nature, sexual grooming, other miscellaneous sexual offences, unnatural sexual offences, exposure and voyeurism.

## ***Drugs / Alcohol***

Alcohol consumption is increasing and particular concerns include underage drinking and alcohol related health problems. Anti-social behaviour caused by excessive drinking has an impact in many areas of community life.

<sup>4</sup>Nationally, it is estimated that nearly half of all violent crime and antisocial behaviour is alcohol related. Between April 2009 and March 2010 drug related offences (dealing and possession) in Tower Hamlets accounted for 12.2% of all “notifiable” offences dealt with by the police. This is the second highest rate in London. Where mandatory drug tests in police custody suites have been undertaken, 30% of those tested have had a positive result for opiates or cocaine (Class A drugs).

The most recent estimate suggests that there are around 3,795 problematic drug users in Tower Hamlets; Of this number, 1,775 (47%) are estimated to have not yet engaged with treatment.

It has been estimated nationally that the cost of alcohol misuse is huge, with at least £6 billion wasted every year. However it is also a fact that treatment can be cost effective – for every £1 spent on treatment, £5 is saved elsewhere. For drug misuse treatment, similar financial benefits are possible: for every £1 spent on drug treatment in Tower Hamlets, £3.95 is saved on health and crime costs.

In Tower Hamlets, we will support people and families to make healthy lifestyle choices; we will reduce harm to those at risk, and empower those who are addicted or dependent on drugs or alcohol to recover. We will relentlessly bear down on the crime and anti-social behaviour associated with drug and alcohol misuse that impacts on our communities.

The Partnership aims to help people who are addicted to or dependent on drugs or alcohol to recover, by enabling, empowering and supporting them to progress along a journey of sustainable improvement to their health, well-being and independence.

The Partnership is very aware of the serious social, psychological and physical complications of drug use, as well as the issue of multiple drug use or combined substance misuse and mental health problems (known as dual diagnosis). We believe that our services are particularly attuned to the needs of complex clients and while this is a historically challenging client group for traditional drug services, we will aim to ensure that Tower Hamlets services continue to develop and effectively meet their needs.

We have organised our commitments on drug and alcohol misuse around the three cross-cutting pillars of Behaviour Change, Treatment, and Enforcement and Regulation.

- Behaviour Change includes the actions we will take to ensure high quality information is available on drugs and alcohol, the promotion and prevention activities we will develop, and the advice and initial support

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<sup>4</sup> Tower Hamlets Substance Misuse Strategy 2011-14

options available to people who might have early stage problems with drugs and alcohol.

- Treatment includes the actions we will take to improve the access and treatment options available for people who are dependent on, or who have problems with, alcohol or drugs
- Enforcement and Regulation includes the actions we will take to enforce the law as it relates to alcohol and drugs, and reduce the anti-social behaviour and crime associated with drug and alcohol misuse.

The Drug and Alcohol Outreach Team offers help and support to people who use substances (both drugs and alcohol) and is working to reduce drink and drug related anti-social behaviour on the streets in Tower Hamlets. The team works in estates, hostels, parks and other public spaces to build relationships with street drinkers and drug users so they know where to turn to when they are ready to kick their habit. By tackling the problems at street level, the council is able to provide long-lasting solutions to issues such as begging, anti-social behaviour and shoplifting, while helping people reclaim their lives.

The partnership has recently introduced a Responsible Drinking Borough policy which effectively means that alcohol related anti-social behaviour can now be tackled in public places by both Police and Council Enforcement Officers, when it happens with additional powers to seize alcohol from those drinking in public.

The Council continues to fund activity to reduce drug supply. This includes a dedicated police team (Partnership Task Force) to tackle drug dealing on the borough's streets and related ASB. Other activity includes work towards a Police target to arrest 'a dealer a day'. There are also specific covert operations to tackle high level drug dealing and remove teams of drug dealers in specific hotspots. These targeted operations are extremely resource intensive and owe their effectiveness in large part to the important role the community plays in sharing intelligence with partner agencies.

**Our priorities in 2012-13 include:**

- Undertaking Treatment Review and implementing recommendations to:
  - a) Support more people into treatment and do this earlier
  - b) Improve outcomes
  - c) Improve voluntary uptake of treatment for statutory and non-statutory offenders with issues but no treatment requirements
- Greater NHS involvement in alcohol licensing

**Current measures for Drugs and Alcohol include:**

- Number of drug intervention programme referrals that re-offend
- Number of drug users recorded as being in effective treatment (formerly NI40)
- Perception of drug use or drug dealing as a problem (formerly NI42)

## ***Integrated Offender Management***

Integrated Offender Management is a partnership approach to reduce the actions of prolific or other priority offenders. Prolific offenders are a small number of offenders who carry out a high proportion of crimes. This work is linked to longstanding work on priority and prolific offenders (PPOs), which works under the strands of 'Prevent and Deter' and 'Catch and Convict'.

The overall aim of this approach is to support and improve the prosecution process and reduce the re-offending of prolific and other priority offenders, which should consequently reduce the number of crimes and their victims.

Through effective partnership working between police, probation, health and the council, we will identify prolific offenders; get them into appropriate rehabilitation/treatment where possible, remove the causes/drivers of their crimes and prevent them from committing further crimes. Where this approach is inappropriate or ineffective we will manage their offending behaviour with intensive interventions to disrupt their offending and fast track investigations/court cases so that the prosecution success rate increases.

Ultimately our aim is to prevent the 'revolving door' effect, where offenders leaving custody, court orders or treatment, re-offend very quickly.

Current measures and priorities for Integrated Offender Management include:

- Offenders under probation supervision living in settled and suitable accommodation at the end of their order or licence (formerly NI 143)
- Drug intervention programme referrals that re-offend
- Offenders under probation supervision in employment at the end of their order or license (formerly NI 14)
- Rate of proven re-offending by adults under probation supervision
- Adult re-offending rates for those under probation supervision (formerly NI18)



## ***Anti-Social Behaviour***

Anti-social behaviour (ASB) includes a wide variety of incidents from substantial criminal offences, through disorder to nuisance and noise. It may even be described as anything which impacts on the normal tranquillity of life within a community. Deliberate fire setting and arson are also considered here under this anti-social behaviour section.

Within Tower Hamlets Community Safety Partnership we utilise multi-agency approaches to all ASB reports. Partnership working is the most effective way to tackle problems and to supervise the progress of these issues to a satisfactory conclusion, irrespective of how long it takes. The Borough Crime Tasking Group (BCTG) monitors and tasks partnership resources in response to emerging community issues across the borough.

Tower Hamlets Enforcement Officers (THEOs) and ASB Investigators, Police Safer Neighbourhood Teams (SNTs) and Housing Officers have important roles to play in the identification and investigation of anti-social behaviour.

When necessary, partnership officers will progress cases against perpetrators of anti-social behaviour through the partnership's ASB Legal Consultation and Certification Board. The board oversees legal applications and enforcement action, ensuring that appropriate partnership consultation and interventions have been carried out.

London Fire Brigade work with partners to reduce fire related anti-social behaviour. LFB work with partners in the following ways:

- Attending Safeguarding Adults Board to identify most at risk and engage with that community effectively
- Joint working with Tower Hamlets Homes and Poplar Harca to promote home fire safety, identify hotspot areas for rubbish fires and develop reduction action plans including estate action days and arson reduction plans.
- Working with Police Safer Neighbourhoods Teams to develop arson reduction plans for hotspots using practical measures and education.
- Working with the Public Realm to identify and report rubbish hotspot areas to prevent rubbish fires occurring.

### **Current measurements and priorities for ASB are set out below:**

- Anti-Social Behaviour and Drugs
- Number of Arson incidents (all deliberate Fires)
- Number of Deliberate Fires (Deliberate)
- Number of Grass/open land fires – deliberate and unknown
- Number of Rubbish Fires – deliberate and unknown
- Progress Council Enforcement Review
- NI33 Arson Incidents–there are 2 targets which make up this indicator:
  - a) measures the change in primary fires
  - b) measures the change in secondary fires

## ***Cohesion and Hate Crime***

The Tower Hamlets Community Plan aims to make the borough a better place for everyone who lives and works here. The borough's diversity is one of its greatest strengths with the richness, vibrancy and energy that our communities bring. At the heart of the Community Plan is a commitment to build One Tower Hamlets, to tackle inequality, strengthen cohesion and build community leadership and personal responsibility. These objectives are reflected in all our key strategic activities.

In committing ourselves to building One Tower Hamlets, the Tower Hamlets Partnership has made a public commitment to treating people with fairness and respect regardless of their differences. Everyone living, working or visiting the borough has the right to live free from discrimination and prejudice. Tackling inequality and ensuring that the borough is a place where people feel safe and where difference is seen not as a threat but as a core strength requires strong local leadership and active community participation.

### **Cohesion**

Since 2008 the development of 'One Tower Hamlets' has placed cohesion as part of a cycle of action embedded into day-to-day work: tackling inequality leads to the strengthening of cohesion and thereby builds community leadership and personal responsibility which can tackle inequality, strengthen communities.

The strength of our local partnerships has been crucial to enabling us to develop this work. We have well established partnerships between the Council, Police and other statutory and community organisation to promote community cohesion and tackle hate. A long standing commitment to fighting discrimination is shared by a wide range of partners, which is framed by our borough wide No Place for Hate Campaign. A wide programme of work continues to bring communities together including projects delivered through the One Tower Hamlets Fund.

Our approach to fostering community cohesion is also based on providing inclusive services. The way we deliver services and take decisions has a significant impact on way that people feel about their local area and their lives, as well as those of their families and the people around them.

### **In 2011-12 we will:**

- Implement the Community Cohesion Framework, which will provide a clearer strategy for our high level commitment to ensure that cohesion policy translates into effective service delivery
- Explore the local implications of the public sector Equality Duty and the Localism Bill
- Use the experience of a pilot on the Boundary Estate to develop Neighbourhood Agreements which link the delivery of localised services and to the respective responsibilities of the Council, partners and residents and the strengthening of relationships between people from different backgrounds

- Use the One Tower Hamlets fund to commission up to eight local organisations to support work on bringing residents together through the Neighbourhood Agreement process
- Exploit the Mayor's role as a unifying figure via the Citizen Engagement Strategy
- Develop the community leadership of all elected members through scrutiny and its role in the budget process

### **Hate Crime**

The Tower Hamlets we live in today is a diverse and tolerant place where the vast majority of people treat each other with dignity and respect; however a small minority don't hold those values and perpetuate hate.

Hate crimes are committed on the grounds of prejudice against people of different races, faiths/beliefs, sexual orientations, gender, identities, ages and disabilities.

The Partnership works in three ways to tackle and reduce hate crimes in the borough:

- 1) To ensure that victims have access to appropriate protection and support – all hate crime victims are visited in person by police investigating officers and offered support through Victim Support Tower Hamlets.
- 2) To hold perpetrators accountable for their actions – the Hate Incident Panel operates on a monthly basis to co-ordinate multi-agency responses to hate incidents, the Police Community Safety Unit robustly tackle perpetrators charging where possible and working with schools, parents and young people to challenge bullying behaviour and attitudes
- 3) To prevent hate through raising awareness, encouraging reporting and building community cohesion – the No Place For Hate Campaign delivers four outreach events in the community each year and attends numerous community events to raise awareness of the partnership's response to hate crime and how member's of the community can pledge their support of zero tolerance to hate. The network of No Place For Hate Champions and youth champions continue to promote this work to the community.

### **Current measurements for hate crime are:**

- Racist Offences
- Racist SD Rate
- Homophobic Offences
- Homophobic SD Rate
- % of people who believe people from different backgrounds get on well together in their local area
- Develop citizen engagement strategy for Bangladeshi Youth

## **Preventing Violent Extremism**

For the Tower Hamlets Partnership, work to reduce extremism and prevent individuals becoming involved in violence is fundamental to achieving One Tower Hamlets. Work on preventing violent extremism began in 2007 but our local approach developed out of existing partnerships, approaches and programmes which had enabled us to tackle complex and contentious issues in the past. Underpinning our work has been a commitment to engaging with all communities, to listen and address concerns and work with community and statutory partners to develop appropriate interventions. We recognised from the outset that we could not achieve our aims by working in isolation and have been committed throughout to strengthening accountability and transparency. Engaging with our communities has been key to increasing understanding of the impact on residents of extremism and its links to violence.

The Tower Hamlets PVE programme 2008-11 achieved a huge amount, with a number of local projects and activities recognised locally, nationally and internationally as effective and innovative. Given that this was a new area of work for local authorities and police forces, it posed significant new challenges. Evaluating our learning was a key part of our programme and developing a new phase for work beyond 2011 provides us with an opportunity to refine and develop our approach.

The evaluation and learning from our work on PVE from 2007-11 provides a firm foundation for the development of the next phase of work. However, the context for delivering work on PVE (now Prevent) has changed significantly since 2008 in financial, political and policy terms and our refreshed approach must respond effectively to these changes.

The strategic objectives for the next phase of our Prevent programme are designed to enable us to respond effectively to the following:

- The achievements and learning derived from work on Prevent between 2007-11
- Our on-going commitment to One Tower Hamlets within our refreshed Community Plan 2011
- The revised national Prevent strategy
- The reduction in funding for Prevent work and wider pressure on public service finances

### **The objectives are:**

1. Target social, peer and educational support and advice to individuals identified as at risk of involvement in extremist activity and violence
2. Strengthen community leadership to enable key individuals and organisations to challenge extremist ideology
3. Strengthen positive social networks and institutions to increase their capacity to challenge extremism and violence and disrupt networks and organisations which are sympathetic to extremism and terrorism
4. Ensure robust evaluation is built into the delivery of the Prevent programme and activities to ensure effective monitoring of impact and increased capacity of local organisations to deliver Prevent objectives

## **Public Confidence**

While the level of violent crime in Tower Hamlets is relatively low compared to other Boroughs, the fear of being a victim of violent crime is disproportionately high. Public confidence in how we respond to crime and disorder and reducing the community's fear of crime is a priority for the partnership as one leads to the other.

The partnership are committed to responding to the community's concerns and ensuring that the public believe this is happening, will lead to increased confidence and reduced fear of crime. However, addressing these priorities is complex due to the fact that we are dealing with people's perceptions which can differ for many reasons. An individual's perceptions are not solely based on their own direct experience of crime, it could be based on a friend or relatives experience. The local and national media's coverage of crimes is thought to have a huge impact too.

The partnership is committed to a two way communication process with members of the community, as this is essential to improving confidence and reducing fear.

We will continue to ask the community what their concerns are and how they feel we should tackle them through holding public meetings and consulting existing local groups including Safer Neighbourhood Ward Panels, Neighbourhood Watch and Tenants and Resident Groups.

We will continue to give information on action taken responding to local concerns in the most appropriate format, be that through targeted leafleting, in person at public meetings or on the street and utilising local media.

### **Current priorities and measures for Public Confidence are:**

- ASB Satisfaction – satisfaction with Police and Community Safety Partnership
- Local Concern about ASB and Crime
  - a) Drunk and rowdy behaviour in a public place
  - b) Vandalism and Graffiti
  - c) Drug use or drug dealing as a problem
- Develop a PR Strategy to continue to change public perception of ASB
- NI21 Dealing with local concerns about anti-social behaviour and crime by the local council and police

## ***Olympics***

The Olympics and Paralympics will take place across London from 9<sup>th</sup> July to 12<sup>th</sup> September 2012 and some of our neighbouring boroughs will be hosting a large number of events during this time.

While the Borough will not be hosting any of the Olympic or Paralympics events, it will still feel the impact of the unparalleled increase in visitors to and traffic through the borough. An Olympic Live Site will be situated in Victoria Park which will have up to 1,000,000 visitors over 15 days during the games and this will put further pressure on existing transport links within the borough.

Research of previous Olympic and Paralympics Games show an increase in visitors to boroughs will normally lead to increases in crime and disorder.

Sections of the Olympic Route Network converge at several points in Tower Hamlets which will mean an increase in the number of vehicles coming into the borough and closures/restrictions of use of roads throughout this period (due to traffic management systems and the Olympic Family Lanes which only blue light emergency vehicles can use).

The Olympics and Paralympics will put unprecedented drains on borough resources in the form of Policing and Health Services from visitors alone; it will also impact on our ability to respond to unrelated crime and disorder. Restriction in public /non games transport could see inabilities of residents to get to important drug treatments, non emergency support to victims of crime and the ability for crucial victims and witnesses to get to court cases to give evidence.

Each individual agency within the partnership is expected to experience unique risks, have their own priorities to work towards and action plans to ensure there are countermeasures for each risk.

Hosting the Olympic Games will increase the threat of a terrorist attack taking place, as the games focus the global media spotlight on London. Existing high profile locations often thought of as possible targets will be added to with the Olympic venues and national teams' training bases. The Partnership's Resilience and Counter Terrorism Group, which sits under the Olympics Operations Group works to devise our Counter Terrorism Strategy. This Strategy includes Business Continuity Plans, increased security measures for perceived targets, emergency planning and exercises to ensure we are suitably trained to counter terrorist threats/incidents.

The partnership's priority is to ensure that business as usual continues during the Olympics period, that we continue to offer the high standards of services to our residents and continue to respond to crime and disorder in an effective way that residents are accustomed to.

## **Partnership Agency Actions:**

The Drug and Alcohol Action Team are developing and implementing treatment services to respond to increased demands during the Olympics period. They are working to ensure that service users are aware of potential disruptions and ensuring contingency plans are in place to maintain key services.

NHS London is required to deliver the following objectives:

- Deliver business as usual performance levels, including any increase in demand associated with the games;
- Meet the bid commitments by providing LOCOG with the necessary ambulance and paramedic resources at all LOCOG events and through the designated hospitals provide free healthcare for the 'Games Family'
- Provide appropriate contingency for health resilience at Games Time in compliance with Department of Health guidance.
- Joint Exercises, reducing service demand, maintaining blue light services, sharing information, establishing role of NHS in 3 councils
- Delivery Board to be established in August for governance and management arrangements for 2012 Planning
- Strategic Regeneration Framework vision and strategy for achieving convergence of the socio-economic conditions of the people of the host boroughs to that of the average for London within 20 years. Relevant Indicators used to measure this:
  - Overall satisfaction with the local area
  - Perceptions of Anti-Social Behaviour
- A key area of the Health Legacy's 'developing successful neighbourhoods' within the SRF is to reduce levels of violent crime and gang activity

London Fire Brigade Olympic Impact:

- The London Fire Brigade will have three permanently staffed fire stations within the Olympic Park during games period. These will deal with any incidents within the park and call on any reinforcements from neighbouring LFB fire stations as required.
- The resources within the park are additional to LFB establishment and will not impact on numbers available elsewhere in London.
- We intend to be as close to business as usual –there will be no change in numbers of staff available or numbers of appliances available within the borough. There is no intention to change shift pattern or work practices outside of the Olympic Park.
- Within the borough we are taking part in a detailed Testing and Exercising Programme to ensure that our crews are ready for the anticipated increase in operational incidents of all types and complexity right across the games period.

Appendix B - **Community Safety Plan 2013 onwards\*  
Development and Consultation Plan**

**Objectives**

- To obtain views on the current levels of crime, disorder, substance misuse and re-offending rates within Tower Hamlets.
- To identify community safety priorities from members of the community, partner agencies (including the 3<sup>rd</sup> sector) and the Community Safety Partnership (Safe and Cohesive CDPG) for 2013.

Analysis of these perceptions on levels of crime, disorder, substance misuse and re-offending rates and subsequent priorities will then be included in the 2012 Community Safety Partnership's Strategic Review. This will then be used to shape the Community Safety Plan 2013 onwards\* before entering into formal approval mechanisms.

**Key Messages**

- Community safety is one of the Mayor's five priorities
- Community safety and cohesion are a priority for the Partnership.
- The 2012 Community Safety Partnership Plan Priorities
- 2011 Community Safety Strategic Review & 2012 Community Safety Plan will be available on the Website for comment on levels and priorities
- This consultation is their opportunity to shape crime, disorder and cohesion priorities for 2013 onwards.
- Take part in the consultation to help make Tower Hamlets a safer place

**Target Audiences**

Residents  
Members  
Businesses  
Partners (inc. Police/NHS/THH/Third Sector)  
Young people  
Support/Advice agencies  
Hostels  
Media

\* The length of the Community Safety Plan is determined at a local level by Statutory Authorities within the Community Safety Partnership and can cover either 1, 3 or 5 years.



## **Methods:**

### **Community Safety Partnership (Safe and Cohesive CPDG)**

Key senior officers from the Community Safety Partnership (Police, Council, Probation, Fire Service and Health) set up a Strategy Development Group to ensure that the Community Safety Plan was produced and have been heavily involved in both the design and the content of the Strategic Assessment and the Community Safety Plan from the outset.

The Strategic Assessment, draft Community Safety Plan and this Consultation Plan were presented to the Community Safety Partnership on 18<sup>th</sup> October, where the Assessment and Consultation Plans were approved and the draft Plan was signed off pending feedback from the Consultation.

### **Press Release**

Launch of Consultation Press Release with quote from Chair of the Safe and Cohesive Community Plan Delivery Group (Paul Rickett) and the Mayor of Tower Hamlets, Lutfur Rahman.

### **Letters**

Letters outlining the Plan's priorities and asking for feedback either by letter or through the consultation webpage, to the following:

Residents (identified through previous consultation exercises)  
Residents Groups including TRA's, Ward Panels and Neighbourhood Watch

Letters and a copy of the new Community Safety Plan seeking feedback on the priorities to the following:

Subgroups of the Community Safety Partnership (Safe & Cohesive CPDG):  
Drug and Alcohol Action Team Board  
Youth Offending Team Management Board  
Safeguarding Boards (Adults and Children)  
Crime and Anti-Social Behaviour Reduction Board (Borough Crime Tasking Group)  
Equality and Cohesion Board  
Domestic Violence Board  
Confidence and Satisfaction Board (Police Board)  
Borough Criminal Justice Group  
Hate Crime Board (No Place For Hate)

By contacting the above boards/subgroups, we will be consulting the agencies below, who are all represented on them.

Tower Hamlets Housing Forum (all Registered Social Landlords invited)  
British Transport Police  
NHS  
Voluntary Sector  
Faith Organisations  
Community Groups  
Canary Wharf Group  
Hostels

Victims via Victim Support  
One Tower Hamlets  
Support Groups  
Transport For London  
Jobcentre Plus  
Veolia Environmental Services  
Disability groups  
Schools and Youth Centres  
Older peoples' centres

**Members Briefing:**

Article in weekly Members' Briefing

**Briefing Paper:**

A briefing paper for One Stop Shop Staff and Customer Contract Centre Staff will be provided with details of the consultation and how they can feed their comments into the dedicated 'mytowerhamlets' web survey page.

**Consultation Events:**

Presentation of 2011-12 Strategic Review findings and the proposed 2013-14 priorities to Police and Community Safety Board at their Executive meeting during the public consultation period. They will be asked for their opinion on the levels based on the Strategic Review and asked for their priorities for the next Plan period (likely to be 1, 3 or 5 years) based on the 2012-13 Plan's Priorities.

Presentation of a summary of the 2011-12 Strategic Review and proposed 2013-14 priorities (inc. explanation), to the Police and Community Safety Board public meeting during the consultation period and used as a starting discussion point. They will also be presented with the current Police Score Card (or summary) to show what the true picture is across the borough and asked to put forward their priorities.

**Websites:**

Dedicated Consultation page on Tower Hamlets Council's webpage during the 6 week consultation period. Partner agencies to be run article or link to consultation from their websites to ensure maximum take up.

**Media:**

Consultation Launch article in East End Life, asking community to take part in consultation and reminder to appear week prior to consultation ends.

Media release to relevant local media to promote consultation.

***Timetable of Consultation and Plan Development:***

April 2012

- Community Safety Plan (2012) Launched and electronic copy of this and Strategic Review to be available on relevant website.

April - June

- Extensive Public Consultation on community safety priorities for the 2013 Plan
- Analysis of consultation findings for inclusion in Strategic Review

August – September:

- Community Safety Strategic Review carried out

October – November:

- Community Safety Plan (2013 onwards) produced based on Public Consultation and Strategic Review Findings

December 2012:

- 2013 Community Safety Plan presented at Community Safety Partnership Meeting for approval and then enters Committee Approval Process (CMT, MAB, PAP, Cabinet and Full Council)

April 2013:

- Final Community Safety Plan is ratified by Full Council

Appendix C – Equalities Analysis

**Section 1 – General Information**

Name of the Policy or Function Community Safety Plan 2012-13
Service area Safer Communities Service
Team name The Community Safety Partnership
Service manager Emily Fieran-Reed
Name and role of the officer completing the Initial Screening <i>(Explain why these people were selected i.e. the knowledge and experience they bring to the process)</i> Emily Fieran-Reed – Head of Community Safety Partnership Domestic Violence and Hate Crime. James Millington – Strategy and Resources, CLC.

**Section 2 - Information about the Policy or Function**

Is this a policy or function? Function <input type="checkbox"/>	Policy <input checked="" type="checkbox"/>
Is the policy or function strategic or developmental?	
Strategic <input checked="" type="checkbox"/>	Developmental <input type="checkbox"/>
Is this a new or existing policy or function? Existing <input type="checkbox"/>	New <input checked="" type="checkbox"/>
If for a new policy or function, please indicate the date this form was undertaken December 2011	
If for an existing policy or function, what was the original date(s) the equality analysis (Initial Screening or EQIA) was undertaken <i>(please attach a copy of any previous equality analysis)</i>	
What are the main aims and objectives of the Policy or Function	
There is a legal requirement for each Community Safety Partnership (Safe & Cohesive CPDG) to have a Community Safety Plan.	
The Safe and Cohesive Plan 2012-2013 has been created in consultation with members of the Safe & Cohesive CPDG. The objective of the Plan is to address the following local priorities:	

- The Olympics
- Drugs and Alcohol
- Violence
- Serious Acquisitive Crime
- Youth
- Violence Against Women and Girls
- Integrated Offender Management
- Anti-Social Behaviour
- Cohesion & Hate Crime
- Public Confidence

Who are the main stakeholders:

The London Borough of Tower Hamlets

The Police

London Fire Brigade

Probation Services

Tower Hamlets Primary Care Trust

Those who live, work and visit the borough

Is this policy/function associated with any other policy or function of the Council  
(i.e. **Community Plan, One Tower Hamlets etc**)

- The Community Plan
- Children and Young People's Plan
- Substance Misuse Strategy 2011-2014 (Drugs & Alcohol)
- Violence Against Women and Girls Strategy
- Integrated Offender Management Plan
- PREVENT Plan (under review in line with National Guidance)
- ASB Profile
- Hate Crime Strategy

### **Section 3 – Information about Existing Policies and, or Changes to Functions only**

Has there been any 'significant' change to the Policy or Function?

Yes  No

If yes, Please indicate what the change will be and what has brought about this change to the policy or function?

**If there has been NO SIGNIFICANT amendments to an existing policy/function there is no need to continue to Section 4 below or a full equalities analysis**

### **Section 4 – The Impact**

The Community Safety Plan 2012-13 is informed by both the Community Safety Partnership's Strategic Assessment, which analyses data on the trends and future local challenges regarding crime, disorder, substance misuse and re-offending, and through consultation with the wide membership of the Community Safety Partnership (Safe and Cohesive Community Plan Delivery Group). A number of cross cutting issues were also considered as part of this process.

The restructure of the 'Stronger and Safer Community Plan Delivery Group' into the 'Safe and Cohesive Community Plan Delivery Group (known locally as the Community Safety Partnership) in 2011, has meant that Community Cohesion and Equalities now form a major part of the Partnership's work.

From this detailed evaluation of the strategic landscape and assessment of the most effective governance arrangements, priority areas were developed. This included consideration of the drivers of crime locally and equalities - through the impact on different groups. This has influenced priority setting and the inclusion of the Equality and Cohesion Board as a key element of the structure for delivering the Plan. As such, the Plan's priorities for 2012-13 are:

- The Olympics
- Drugs and Alcohol
- Violence
- Serious Acquisitive Crime
- Youth
- Violence Against Women and Girls
- Integrated Offender Management
- Anti-Social Behaviour
- Cohesion & Hate Crime
- Public Confidence

A high level test of relevance equalities screening has been undertaken on the Plan. This is attached as appendix a. As the Plan is to be further developed through the subgroups' action plans – further detailed evaluation of equalities in the action plans will be undertaken to ensure they continue to be considered with the development of the Plan.

The Plan is a jointly owned partnership approach – it is not solely owned by the Council – so the authority will communicate the importance of ensuring subgroups give 'due regard' to equalities in the action plan development process and are aware of the requirement to provide appropriate evidence: This will be recorded through the inclusion of equalities considerations in the template for creating the action plan. As action plans are presented to the Community Safety Partnership (Safe and Cohesive CPDG), equalities considerations will be evaluated by the members. The timetable for the development of the Action Plans and undertaking equalities assessment is:

**Next steps:**

**Jan – March 2012** Action Plans developed by Sub groups ensuring equalities considerations.

**March 2012** Action Plans presented to Community Safety Partnership

**April 2012** Action Plan delivery and monitoring commences.

<b>Target Groups</b>  What impact will the 'new' or 'significantly' amended policy or function have on specific groups of service users?	<b>Impact</b>  <b>Positive or Adverse</b>	<b>Reason(s)</b> <ul style="list-style-type: none"> <li>• Please add a narrative to justify your claims around impacts and,</li> <li>• Please describe the analysis and interpretation of evidence to support your conclusion as this will inform members decision making</li> <li>• Can the negative impact be justified on the grounds of promoting equality?</li> </ul>
Race	Positive	<p>All those who live, work and visit our borough will benefit from the Council and Partners addressing crime and disorder and their causes through the priority areas identified in the Community Safety Plan. The priorities themselves are not targeted towards any particular race and thus involve no direct discrimination.</p> <p>For this target group, the priority of addressing Cohesion and Hate Crime may be of particular relevance. It is expected that the work to address Hate Crime will be targeted towards fostering good relations between people, including between people of different races. This will be consistent with the One Tower Hamlets theme set out in the Tower Hamlets Community Plan.</p> <p>The priority areas will be addressed through the action plans developed by the subgroups. As stated above, any impacts associated with individual actions will be considered in the course of development of each action plan and will be evaluated by the Community Safety Partnership.</p>
Disability	Positive	<p>All those who live, work and visit our borough will benefit from the Council and Partners addressing crime and disorder and their causes through the priority areas identified in the Community Safety Plan. As the priorities are not discriminatory against any particular group it is expected that all members of our community will benefit – including those with disabilities.</p> <p>For this target group, the priority of addressing Cohesion and Hate Crime, targeted at those with disabilities, may be of particular relevance. Crimes targeted towards those with disabilities will be considered – to ensure that we continue to build a cohesive borough through our One Tower Hamlets aspirations.</p> <p>The priority areas will be addressed through the action plans developed by the subgroups, and any impacts associated with individual actions will be considered in the course of development of each action plan and will be evaluated by the Community Safety Partnership.</p>



Gender	Positive	<p>All those who live, work and visit our borough will benefit from the Council and Partners addressing crime and disorder and their causes through the priority areas identified in the Community Safety Plan.</p> <p>However, for this target group, the priority of addressing Violence Against Women and Girls may be of particular relevance. For instance, women are more disproportionately affected as the victims of domestic violence - and this will be considered when addressing this priority area.</p> <p>The priority areas will be addressed through the action plans developed by the subgroups and any impacts associated with individual actions will be considered in the course of development of each action and will be evaluated by the Community Safety Partnership.</p>
Gender Reassignment	Positive	<p>All those who live, work and visit our borough will benefit from the Council and Partners addressing crime and disorder and their causes through the priority areas identified in the Community Safety Plan.</p> <p>For this target group, the priority of addressing Cohesion and Hate Crime may be of particular relevance. It is expected that the work to address Hate Crime will be targeted towards fostering good relations between people, including those who have had their gender reassigned. This will be consistent with the One Tower Hamlets theme set out in the Tower Hamlets Community Plan.</p> <p>The priority areas will be addressed through the action plans developed by the subgroups. As stated above, any impacts associated with individual actions will be considered in the course of development of each action and will be evaluated by the Community Safety Partnership.</p>
Sexual Orientation	Positive	<p>All those who live, work and visit our borough will benefit from the Council and Partners addressing crime and disorder and their causes through the priority areas identified in the Community Safety Plan.</p> <p>For this target group, the priority of addressing Cohesion and Hate Crime may be of particular relevance. For example, ongoing work to ensure that homophobic incidents continue to be dealt with by agencies including the Council and Police as appropriate will be considered.</p> <p>The priority areas will be addressed through the action plans developed by the subgroups and any impacts associated with individual actions will be considered in the course of development of each action and will be evaluated by the Community Safety Partnership.</p>

Religion or Belief	Positive	<p>All those who live, work and visit our borough will benefit from the Council and Partners addressing crime and disorder and their causes through the priority areas identified in the Community Safety Plan. The priorities themselves are not targeted toward any particular belief or religion and thus involve no direct discrimination.</p> <p>For this target group, the priority of addressing Cohesion and Hate Crime which is based on religion or belief may be of particular relevance.</p> <p>Any incidents which are motivated by religious intolerance and run contrary to our aspiration of promoting community cohesion will be considered in the development of action plans by the subgroups. Any impacts associated with individual actions will be considered in the course of development of each action and will be evaluated by the Community Safety Partnership.</p>
Age	Positive	<p>All those who live, work and visit our borough will benefit from the Council and Partners addressing crime and the causes of crime through the priority areas identified in the Community Safety Plan.</p> <p>For this target group, the priority of addressing Youth Crime may be particularly relevant. As the borough has a young population profile the work to address this issue, for example, through working with schools will be considered. Additionally, at the other end of our demographic, older people who may be affected by Serious Acquisitive Crime in the form of distraction burglary (were offenders particularly target vulnerable older people) will also be considered.</p> <p>The priority areas will be addressed through the action plans developed by the subgroups. As stated above, any impacts associated with individual actions will be considered in the course of development of each action and will be evaluated by the Community Safety Partnership.</p>
Socio-economic	Positive	<p>All those who live, work and visit our borough will benefit from the Council and Partners addressing crime and disorder and their causes through the priority areas identified in the Community Safety Plan.</p> <p>For this target group, the priorities of Drugs/Alcohol and addressing Serious Acquisitive Crime may be of particular relevance - as individuals deal with addictions or commit crime for money.</p> <p>The priority areas will be addressed through the action plans developed by the subgroups. As stated above, any impacts associated with individual actions will be considered in the course of development of each action and will be evaluated by the Safe and Community Safety Partnership.</p>

<p>Marriage and Civil Partnerships.</p>	<p>Positive</p>	<p>All those who live, work and visit our borough will benefit from the Council and Partners addressing crime and disorder and their causes through the priority areas identified in the Community Safety Plan.</p> <p>The priorities of addressing Violence Against Women &amp; Girls (which covers offences including Domestic Abuse and Forced Marriage) and Cohesion and Hate Crime (aimed at civil partners) may be of particular relevance for this group. Additionally, prioritising addressing Public Confidence would provide individuals with the reassurance that issues are being addressed.</p> <p>The priority areas will be addressed through the action plans developed by the subgroups. As stated above, any impacts associated with individual actions will be considered in the course of development of each action and will be evaluated by the Community Safety Partnership.</p>
<p>Pregnancy and Maternity</p>	<p>Positive</p>	<p>All those who live, work and visit our borough will benefit from the Council and Partners addressing crime and the causes of crime through the priority areas identified in the Community Safety Plan.</p> <p>For this target group, the priority of addressing Violence Against Women and Girls may be of particular relevance - this may be particularly relevant to issues around domestic violence as research shows that the risk of being a victim of domestic abuse increases when pregnant.</p> <p>The priority areas will be addressed through the action plans developed by the subgroups. As stated above, any impacts associated with individual actions will be considered in the course of development of each action and will be evaluated by the Community Safety Partnership.</p>

As a result of completing the above, what is the potential impact of your policy/function on the public, giving particular regard to potential impacts on minority or protected groups?

High

Medium

Low

In light of the low impact assessment, it is not proposed to carry out further equality analysis of the Safe and Cohesive Plan at this stage. Equalities impacts will be further considered at the Action Planning stage.

Appendix D – Membership of Community Safety Partnership and Delivery Structure

<b>Safe and Cohesive Community Plan Delivery Group (CSP) Membership</b>	
<b>Organisation</b>	<b>Officer Title (within organisation)</b>
Metropolitan Police Service (MPS)	Borough Commander
London Borough of Tower Hamlets (LBTH)	Deputy Mayor (responsible for Crime and Disorder)
LBTH	Chief Executive
LBTH	Director of Communities Localities and Culture
LBTH	Head of Safer Communities
LBTH	Service Head of Youth & Community Learning
LBTH	Head of Youth Offending Team
London Fire Service	Borough Commander
London Probation	Assistant Chief Officer
Metropolitan Police Authority (MPA)	MPA Link Officer
MPA	Engagement and Partnership Officer
LBTH	Development Manager
Tower Hamlets Housing Forum	Director of Housing & Customer Services
Tower Hamlets Police and Community Safety Board	Chair
Tower Hamlets Primary Care Trust	Associate Director, Public Health
LBTH	Service Head of Public Realm
MPS	Superintendent for Partnership
MPS	Partnership Chief Inspector
LBTH	Corporate Director Adult Health & Wellbeing
LBTH	Service Head for Disability and Health
LBTH	Service Head, One Tower Hamlets
LBTH	Service Head, Scrutiny & Equalities
Safeguarding Boards	Independent Chair
Thames Magistrates Court	Deputy Justice's Clerk
LBTH	Scrutiny Lead, Communities, Localities and Culture
Interfaith Forum	Chair of No Place For Hate Forum

<b>Youth Offending Team Management Board Membership</b>	
<b>Organisation</b>	<b>Officer Title (within organisation)</b>
London Borough of Tower Hamlets	Service Head, Safer Communities
NHS	General Manager of Child and Adult Mental Health Service
London Borough of Tower Hamlets	Head of Youth and Connection Services
London Probation	Assistant Chief Officer
Metropolitan Police Service	Chief Inspector, Partnerships
London Borough of Tower Hamlets	Corporate Director, Children, Schools and Families
Thames Magistrates Court	Named Representative
City of London Police	Head of Administration of Justice, Counter Terrorism and Serious Crime Directorate
London Borough of Tower Hamlets	Service Head, Youth and Community Learning
London Borough of Tower Hamlets	Head of Youth Offending Service

<b>Safeguarding Children Board Membership</b>	
<b>Organisation</b>	<b>Officer Title (within organisation)</b>
Independent	Chair of Safeguarding Children Board
London Borough of Tower Hamlets	Lead Member (Cllr) for Children's Services
London Borough of Tower Hamlets	Chief Executive
LBTH	Corporate Director, Children, Schools & Families
LBTH	Service Head, Safer Communities
LBTH	Service Head, Learning & Achievement
LBTH	Service Head, Strategy, Innovation & Sustainability
LBTH	Service Head, Children's Social Care
LBTH	Service Head, Disability & Health
LBTH	Social Inclusion Manager, Youth Services
LBTH	Social Care Training Co-ordinator, CSF
LBTH	Hidden Harm Co-ordinator, DAAT
LBTH	Secondary Schools Head-teachers' Representative
LBTH	Service Manager, Integrated Services for Disabled Children
LBTH	Service Manager, CSF Strategy, Policy & Performance
LBTH	Senior Strategy, Policy & Performance Officer
LBTH	Primary Schools Head-teachers Representative
LBTH	Service Manager, CAFCASS
LBTH	Service Manager, Youth Offending
Voluntary Sector	Children & Youth Forum Representative Co-ordinator
NHS East London & City	Director of Quality and Clinical Governance
NHS East London & City	Assistant Director – Co-Director of Public Health (Tower Hamlets)
NHS	Associate Director, Clinical Leadership & Workforce Development
NHS	Named Nurse for Safeguarding, BLT Acute Division
NHS	Named Nurse for Safeguarding Children, BLT CHS Division
NHS	Designated Doctor, BLT CHS Division
NHS East London & City	Nurse Consultant for Safeguarding Children
NHS	Deputy Nurse Director for Safeguarding, BLT Acute Trust
Metropolitan Police Service (MPS)	Borough Commander
MPS	Detective Chief Inspector, Public Protection Unit
MPS	Detective Chief inspector, Child Abuse

	Investigation Command
MPS	Detective Inspector, Child Abuse Investigation Team
London Probation Trust	Assistant Chief Probation Officer
Voluntary Sector	Representative from Poplar HARCA
East London NHS Foundation Trust	Associate Director, Safeguarding Children
East London NHS Foundation Trust	Director of Specialist Services
NSPCC	Service Manager (Tower Hamlets)
Tower Hamlets College	Director of Student Services
GP Consortia	Rep To Be Confirmed
Lay Members	X 3, TBC
Voluntary Sector	TBC

<b>Safeguarding Adults Board Membership</b>	
<b>Organisation</b>	<b>Officer Title (within organisation)</b>
Independent	Chair of Safeguarding Children Board
London Borough of Tower Hamlets	Lead Member (Cllr) for Adult Health and Well Being
London Borough of Tower Hamlets	Interim Service Head, Adult Social Care
LBTH	Adult Safeguarding Team
LBTH	Interim Service Head Children's Social Care
LBTH	Head of Partnership, Domestic Violence and Hate Crime
LBTH	Service Head, Strategy, Innovation & Sustainability
LBTH	Interim Corporate Director, Adult Health and Well Being
LBTH	Service Head, Disability & Health
LBTH	Service Head Commissioning and Strategy
LBTH	Social Care Training Co-ordinator, CSF
LBTH	Interim Service Manager Access to Resources
LBTH	Business Support Officer
Barts and the London NHS Trust	Representative
Metropolitan Police	Detective Inspector Community Safety Unit
Voice Ability	Named Representative
East London Foundation Trust	Named Representative
East London and City Alliance	Named Representative
Providence Row Housing Association	Named Representative
Age Concern	Named Representative
Toynbee Hall	Named Representative
East London Foundation Trust	Named Representative
East London Foundation Trust	Named Representative
Metropolitan Police	Named Representative
Excel Care Holdings	Named Representative



<b>Drug and Alcohol Action Team Board Membership</b>	
<b>Organisation</b>	<b>Officer Title (within organisation)</b>
London Borough of Tower Hamlets	Service Head, Safer Communities
London Borough of Tower Hamlets	Commissioning Manager, Commissioning and Strategy
Tower Hamlets Primary Care Trust	Associate Director, Public Health
London Borough of Tower Hamlets	Head of Trading Standards and Environmental Health Commercial
London Borough of Tower Hamlets	Service Head, Commissioning and Strategy
London Borough of Tower Hamlets	Drug Intervention Programme Strategic Manager
London Probation	Assistant Chief Officer
Metropolitan Police Service	Chief Inspector, Partnerships
London Borough of Tower Hamlets	Executive Advisor for Mayor and Cabinet (Councillor)
National Treatment Agency	Deputy Regional Manager
NHS East London & the City	Head of Mental Health Commissioning
London Borough of Tower Hamlets	Service Head, Youth and Community Learning
London Borough of Tower Hamlets	DAAT Co-ordinator
LBTH	Director of Communities Localities and Culture
Metropolitan Police Service	Superintendent for Partnership

<b>Domestic Violence Board Membership</b>	
<b>Organisation</b>	<b>Officer Title (within organisation)</b>
London Borough of Tower Hamlets	Head of Community Safety Partnership, Hate Crime and Domestic Violence
London Borough of Tower Hamlets	Domestic Violence Projects Officer
Miles and Partners LLP	Named Representative
Miles and Partners LLP	Named Representative
Salvation Army	Named Representative
London Borough of Tower Hamlets	DV Team Admin Trainee
London Borough of Tower Hamlets	Domestic Violence Projects Worker
Salvation Army	Hopetown Hostel
London Borough of Tower Hamlets	Domestic Violence Partnership Officer
Victim Support	Named Representative
Tower Hamlets Community Health Service	Named Representative
London Borough of Tower Hamlets	Vulnerable Adults Team Social Worker
London Borough of Tower Hamlets	Housing & Domestic Violence Specialist Childrens Social Care
Swan Housing Association	Named Representative
London Borough of Tower Hamlets	Safeguarding Co-ordinator, Childrens Social Care
London Borough of Tower Hamlets	Co-ordinator DV Perpetrator Programme, Childrens Social Care
The Arbour	Centre Manager
TV Edwards LLP	Named Representative
City Gateway	Named Representative
London Borough of Tower Hamlets	Children In Need Co-ordinator, Childrens Social Care
London Borough of Tower Hamlets	Parenting Co-ordinator, Youth Offending Team
East End Homes	Named Representative
London Borough of Tower Hamlets	DV and Hate Crime Manager, Safer Communities
Refuge Tower Hamlets	Named Representative
Somali Integration Team	Named Representative
London Borough of Tower Hamlets	Supporting People Monitoring Officer
London Borough of Tower Hamlets	Social Worker Disability and Health
London Borough of Tower Hamlets	CAHMS PLT
Women's Trust	Named Representative
Family Law Practice	Named Representative
Family Law Practice	Named Representative

**Local Government Act, 1972 Section 100D (As amended)**  
**List of “Background Papers” used in the preparation of this report**

Chapter 2 Brief description of “background papers”	Chapter 1 Chapter 3 Name and telephone number of holder Chapter 4 and address where open to inspection.
<ul style="list-style-type: none"><li>• Community Safety Partnership Strategic Review 2011</li><li>• Community Safety Plan 2012-13</li></ul>	Emily Fieran-Reed 020 7364 0248  Anchorage House 2 Clove Crescent, London E14 2BE

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## LONDON BOROUGH OF TOWER HAMLETS

### REPORT OF THE HUMAN RESOURCES COMMITTEE

29 FEBRUARY 2012

To receive the report of the Human Resources Committee at its meeting held on Wednesday **29 February 2012.**

Councillors in attendance at the meeting: -

#### **Human Resources Committee:**

Councillor Mohammad Abdul Mukit MBE (Chair)

Councillor Joshua Peck (Vice-Chair)

Councillor Alibor Choudhury

Councillor Ann Jackson

Councillor Craig Aston (Deputising for Councillor Gloria Thienel)

#### **Other Councillors:**

None

#### **1. Localism Act 2011 - Pay Policy Statement 2012/13**

A report informed the Human Resources Committee that: -

- The Localism Act 2011 gained Royal Assent on 15 November 2011. Under Section 38(1) of the Act, the Council is required to adopt a pay policy statement for each financial year, commencing with 2012/13. The statement for 2012/13 should be approved and adopted by 31 March 2012 to enable it to be published by the start of the new financial year.
- The pay policy statement sets out the Council's current policies and practice in relation to pay for all parts of the workforce, with the exception of school based employees.

The Committee considered the report and during discussions about pay settlements a member asked whether officers had discussed the annual pay awards with trade unions. The Service Head of Human Resources and Workforce Development confirmed this and stated that the Council was part of national pay bargaining, with negotiations happening at a national level between the employers' side and trade unions. He agreed that this point could be made more explicit within the document.

With regards to any future proposed amendments to the pay policy, a member highlighted that the document does not explain the processes for making changes. The Service Head of Human Resources and Workforce Development, agreed to add to the policy (see paragraph 14 of the draft policy) more information on how any changes would be made within the year that the policy is effective for.

The Committee also discussed the process for agreeing negotiated settlements for senior executives in circumstances other than redundancy. Following receipt of legal advice, the following paragraph was proposed and is subject to final agreement:

*If it is determined that a negotiated settlement is appropriate for a senior executive in circumstances which do not amount to a dismissal, the Service Head (Human Resources & Workforce Development) will deal with the detail, and the Council's Chief Executive after consultation with the Monitoring Officer (or in circumstances where it is not appropriate for one or other to be involved, the Chief Financial Officer) and the Chair of the Human Resources Committee, will agree the settlement if they consider that the terms of the offer constitute value for money and are appropriate, fair and reasonable in the circumstances.*

The Committee then

**RESOLVED that**

1. the draft pay policy statement be agreed prior to publication and prior to onward recommendation to full Council for adoption; and
2. that if any changes to the 2012/13 Pay Policy Statement are proposed by HR Committee prior to publication of the statement, that the Chief Executive be authorised to agree the final version after consultation with the Chair of the Human Resources Committee, Assistant Chief Executive (Legal Services) and the Service Head (Human Resources & Workforce Development).

**Council is therefore recommended to: -**

1. Adopt the Pay Policy Statement, attached at Appendix A to this report.

**Councillor Md. Abdul Mukit MBE  
Chair of Human Resources  
Committee**

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**LOCAL GOVERNMENT ACT 1972 SECTION 100D (AS AMENDED)**  
**LIST OF "BACKGROUND PAPERS" USED IN THE PREPARATION OF THIS REPORT**

<b>Brief description of "background paper" number of holder</b>	<b>Tick if copy supplied</b>	<b>If not supplied, name and telephone</b>
Draft Cabinet minutes 08/02/12		Angus Taylor 020 7364 4333

**DRAFT**

**London Borough of Tower Hamlets**

**Pay policy statement 1 April 2012 – 31 March 2013**

**1 Introduction**

The Localism Act 2011 requires Local Authorities to produce a pay policy statement for 2012/13 and for each subsequent financial year. This requirement is part of the Government's drive towards public sector transparency.

The Pay Policy Statement sets out the Council's current policies and practice in relation to pay for all parts of the workforce. The statement excludes school based employees. The Statement is made available on the Council's website, which also includes separately published salary information for senior managers as part of the Government's Transparency Code.

**2 Scope**

The policy addresses the requirements of the Localism Act and addresses key areas of pay and remuneration.

The Localism Act defines senior executives, and in this statement they are the Chief Executive, Corporate Directors, the Assistant Chief Executive (Corporate Management Team), and Service Heads, who are Deputy Chief Officers reporting to Corporate Management Team members.

**3 Pay and grading structure**

The majority of employees' pay and conditions of service are agreed nationally either via the National Joint Council (NJC) for Local Government Services, or the Joint National Council (JNC) for Chief Officers, with regional or local variations.

The Council also employs some staff on Soulbury conditions of service, and some on conditions determined by the Joint National Council for Youth & Community Workers.

It is the practice of the Council to seek the views of local trade unions on pay related matters, recognising that elements are settled within a national framework.

The Council uses national pay scales up to grade LPO8, and determines the appropriate grade for each job in accordance with the Greater London Provincial Council (GLPC) job evaluation scheme.

Above LPO8, local grades are in place for senior staff as follows:

- LP09 - evaluated under a local variation to the GLPC job evaluation scheme
- Chief Officers and Deputy Chief Officers (Service Heads and senior executives) - evaluated under the Joint Negotiating Committee for Chief Officers job evaluation scheme

The Council signed a Single Status agreement in April 2008 with trade unions. This brought former manual grades into the GLPC job evaluation scheme, and replaced spot points with narrow grade bands. One of the key aims of the agreement was to eliminate potential pay inequality from previous pay structures and ensure that new pay structures are free from discrimination.

New and changed jobs are evaluated using the relevant job evaluation scheme, with the appropriate grade being determined using a range of factors.

The scale point on which an individual is appointed to the post is normally the lowest of the grade but will depend on skills and experience.

#### **4 How the Council's management team is structured**

The Council's Corporate Management Team is led by the Chief Executive, supported by a number of Chief Officers reporting to the Chief Executive. All statutory roles are at this level of the organisation.

Service Heads (Deputy Chief Officers) in each Directorate report to a member of the Corporate Management Team.

#### **5 Senior Executive remuneration**

Pay for senior executives who are members of the Corporate Management Team is made up of three elements:

- Basic pay (defined by a local grade)
- London weighting allowance
- Travel allowance payment

Service Heads (Deputy Chief Officers) receive basic pay (defined by a local grade).

Senior salary data is published on the Council's website as part of the Government's transparency agenda. For details, please see [LINK].

#### **6 Lowest paid employees**

The Council's lowest paid staff are those who are paid on the Council's lowest scale point.

The Council has resolved that its lowest paid staff should not be paid less than the level of the London Living Wage. As a consequence in 2011 the pay levels for the lowest paid employees, (including the Council's Apprentices) was moved up



to Scale 1, (spinal column point 5), which is above the rate of the 2011 London Living Wage.

## **7 National pay bargaining**

Annual pay increases across the Council's grades are set through the process of national pay bargaining which the Council subscribes to.

The Council contributes to the negotiation process by providing an employer view through the annual Local Government Employers' regional pay briefings. The employers' side then negotiate with trade unions at a national level.

National pay rates are set using a number of factors, including:

- The sector's ability to pay
- Movement in market rates
- Inflation levels
- Other pay awards
- The Government's policy position regarding public sector pay

## **8 Incremental progression**

Incremental progression is on an annual basis for those staff who are not at the top of their grade. As per national conditions of service, progression is automatic for all staff (subject to general satisfactory performance) except Service Heads and Chief Officers who have to demonstrate satisfactory performance through a formal annual appraisal before being awarded incremental progression.

## **9 Additional payments and allowances**

A range of allowances and payments are paid as appropriate to the nature and requirement of specific posts, groups of posts and working patterns. These include car and travel allowances, overtime, standby, weekend and night work, shift and call-out payments.

Acting up and honoraria payments are made to individual staff as appropriate using clear criteria, and where a clear business need is identified.

The Council has a staff relocation package, available to new entrants to the Council's employment, but subject to tight eligibility criteria.

The Council does not operate a performance related pay scheme or bonus scheme.

## **10 Pensions**

All employees of the Council up to 75 years of age and who have a contract of more than 3 months' duration are entitled to join the Local Government Pension Scheme (LGPS). Decisions on delegated provisions are agreed by the Pensions Committee. The LGPS is a contributory scheme, whereby the employee contributes from their salary. The level of contribution is determined by whole

time salary and contribution levels are set by Government who then advise the employer.

## **11 Compensation for loss of office**

### **11.1 Financial terms for redundancy**

The Council has a policy linked to its policy for Handling Organisational Change which sets out the terms for redundancy and early termination of staff (subject to qualifying criteria), which apply to Chief Officers and to all staff. In certain circumstances, individuals may also qualify for early release of their pension.

### **11.2 Ill health**

Where termination of employment arises from ill health, payments will be made in accordance with the contract of employment. In certain circumstances, individuals may also qualify for early release of their pension.

### **11.3 Negotiated exits - settlements**

***If it is determined that a negotiated settlement is appropriate for a senior executive in circumstances which do not amount to a dismissal, the Service Head (Human Resources & Workforce Development) will deal with the detail, and the Council's Chief Executive after consultation with the Monitoring Officer (or in circumstances where it is not appropriate for one or other to be involved, the Chief Financial Officer) and the Chair of the Human Resources Committee, will agree the settlement if they consider that the terms of the offer constitute value for money and are appropriate, fair and reasonable in the circumstances.***

## **12 Pay multiples / comparisons**

The Council's pay and grading structures reflect a wide range of job requirements and levels of responsibility across the organisation, with pay and grading being determined by the Council's job evaluation schemes.

The pay ratio demonstrating the relationship between the Council's highest paid employee (total salary package) and the median (mid point between the highest and lowest) salary position of the non schools workforce is **1 : 6.5**.

The Council will have regard to its pay ratio and keep it under review, seeking to balance the following:

- Ensuring appropriate reward mechanisms which value knowledge, skills and experience at a senior level, and ensure that the Council can recruit and retain the best talent
- Addressing its commitment to matching the London Living Wage for our lowest paid staff, and encouraging the developmental progression for staff in the lowest graded roles.

### **13 Equality issues**

The policy elements described in this report derive from national terms & conditions and bargaining, or local discretion. The Council has a keen regard for equality issues and should any changes be made to the pay policy in the future, proposals would go through an Equality Analysis. One of the key aims of Single Status agreement was to eliminate potential pay inequality from previous pay structures and ensure that new pay structures are free from discrimination.

### **14 Review**

The Localism Act 2011 requires relevant authorities to prepare a Pay Policy Statement for each subsequent financial year. The Council's next Statement is scheduled to be for 2013/14 and will be submitted to Full Council for approval by 31 March 2013.

Should changes to pay policy be contemplated that would result in an amended statement being published in the year that it applies, these would be subject to a detailed consultation process before an appropriate recommendation was made to Full Council.

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**LONDON BOROUGH OF TOWER HAMLETS**

**COUNCIL MEETING**

**WEDNESDAY 16<sup>th</sup> MAY 2012**

**MEMBERS' ALLOWANCES SCHEME 2012/13**

**REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL SERVICES)**

**1. SUMMARY**

- 1.1 Part 6 of the Council's Constitution sets out the Scheme of Members' Allowances. This provides for a Mayor's Allowance to be paid to the Mayor; a Basic Allowance to all Councillors; Special Responsibility Allowances for specified member roles; Dependants' Carers' and Travel/Subsistence Allowances; and an attendance allowance for co-opted members of the Standards and Overview and Scrutiny Committees.
- 1.2 By law the Council must agree the Scheme of Members' Allowances annually, before the start of the year to which it applies. The proposed Scheme of Members Allowances for 2012/13 is attached at Appendix 'A' to this report. This incorporates minor changes pursuant to the proposed new Standards regime (see separate report on the Council agenda) but is otherwise unchanged from the 2011/12 Scheme.

**2. RECOMMENDATIONS**

- 2.1 That the Members' Allowances Scheme at Part 6 of the Constitution be re-adopted for 2012/13, subject to minor amendments to reflect the changes to the Standards regime introduced as a result of the Localism Act 2011; and
- 2.2 That accordingly the London Borough of Tower Hamlets Members' Allowances Scheme 2012 be adopted as at Appendix 'A';

**3. BACKGROUND**

- 3.1 In accordance with Statutory Instrument (SI 1021/2003) the Council is required to agree a Scheme of Members' Allowances on an annual basis. The Scheme may include an annual index-linked adjustment of allowances, but it must be subject to a full review at least every four

years, taking into account the recommendations of an Independent Remuneration Panel.

- 3.2 The current scheme is included at Part 6 of the Council's Constitution and it is proposed that this should be re-adopted, updated in accordance with changes to the Standards regime made pursuant to the Localism Act 2011 but with no other substantive changes, for 2012/13 as set out at Appendix 'A' to this report.

#### **4. COMMENTS OF THE CHIEF FINANCE OFFICER**

- 4.1 The scheme includes provision for indexing Members' Allowances in line with the local government pay settlement. Any costs arising from the indexing of allowances will be met from within existing budgets.

#### **5. COMMENTS OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL SERVICES)**

- 5.1 Legal comments have been incorporated within the body of the report.

#### **6. IMPLICATIONS FOR ONE TOWER HAMLETS**

- 6.1 The payment of Members' Allowances helps to ensure that people from all parts of the community within the borough are able to serve as elected members. This promotes effective community leadership and accountability, to the benefit of the whole borough and all its communities.

#### **7. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT (SAGE)**

- 7.1 There are no direct SAGE implications arising from the recommendations in this report.

#### **8. RISK MANAGEMENT IMPLICATIONS**

- 8.1 There are no direct risk management implications arising from this report.

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#### **LOCAL GOVERNMENT ACT, 2000 (SECTION 97) LIST OF "BACKGROUND PAPERS" USED IN THE PREPARATION OF THIS REPORT**

Brief description of "background paper"	Name/telephone number of holder
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None.

## **APPENDIX 'A'**

### **London Borough of Tower Hamlets: Members' Allowances Scheme**

#### **(Part 6 of the Council's Constitution)**

This Scheme is made by the London Borough of Tower Hamlets in accordance with the provisions of the Local Authorities (Members' Allowances) (England) Regulations 2003 as amended.

1. This Scheme shall be called The London Borough of Tower Hamlets Members' Allowances Scheme 2012 and it shall come into effect on 1 April 2012. The Scheme shall apply to the Mayor, Councillors and Co-opted Members of the London Borough of Tower Hamlets.

#### **Basic Allowance**

2. Subject to paragraph 8, a basic allowance of £10,065\* shall be paid to each Councillor for each year. The Basic Allowance shall not be payable to the elected Mayor.
3. The basic allowance of £10,065\* shall be payable with effect from 1 April 2012.

*[\*Note: Paragraph 11 of this scheme provides for the amounts marked \* to be adjusted with effect from 1<sup>st</sup> April 2012 to reflect the annual pay settlement for local government staff when this is agreed.]*

#### **Special Responsibility Allowance**

4. Subject to paragraphs 5-8, a special responsibility allowance shall be paid for each year to those Members who hold a position of special responsibility as specified in Schedule 1.
5. The amount of each such allowance shall be the amount specified against the respective special responsibility in Schedule 1 and it shall be payable with effect from 1 April 2012.
6. Any special responsibility allowance payable under paragraphs 4 and 5 shall be in addition to the basic allowance payable under paragraph 2 above.
7. Any Member who holds more than one position of special responsibility shall receive only one special responsibility allowance which shall be at the higher level.

#### **Part-Year Entitlement**

8. If, in the course of the year, this scheme is amended or a Member's entitlement changes, the relevant basic and/or special responsibility

allowance shall be calculated and paid pro-rata during the particular month in which the scheme amendment or entitlement change occurs.

### **Dependants' Carers' Allowance**

9. A maximum of £7.26\* per hour shall be paid to those Members who necessarily incur expense in arranging for the care of their children or other dependants to enable them to undertake any of the activities specified in Schedule 2 to this Scheme.
10. The following conditions shall apply:
  - payments shall be claimable for children aged 15 or under or for other dependants where there is medical or social work evidence that care is required;
  - only one weekly payment shall be claimable for the household of each Member, unless the Council's Standards Committee considers there are special circumstances;
  - the allowance shall be paid as a re-imbusement of incurred expenditure against receipts;
  - the allowance shall not be payable to a member of the claimant's own household;
  - any dispute as to entitlement and any allegation of abuse shall be referred to the Council's Standards Committee for adjudication.

### **Indexation**

11. The Basic, Special Responsibility, Mayor's and Dependants' Carers' Allowances shall be adjusted annually to reflect the annual pay settlement for local government staff. The adjustment shall take effect on 1 April in each year, or the date on which the settlement takes effect, if later.

### **Travel and Subsistence Allowance**

12. An allowance shall be paid to any Member for travelling and subsistence undertaken outside the Borough in connection with any of the duties specified in Schedule 2.
13. An allowance shall be paid to a co-opted member of a Committee, Sub-Committee or Panel of the Council for travelling and subsistence in connection with any of the duties specified in Schedule 2, irrespective of whether the meeting or duty is inside or outside the Borough.



14. The amounts payable shall be the amounts which are for the time being payable to officers of the Council for travelling and subsistence undertaken in the course of their duties.

### **Co-optees' Allowance**

15. Subject to paragraph 16, a co-opted member of the Standards Advisory Committee, the Overview and Scrutiny Committee or the Health Scrutiny Panel may claim a co-optees' allowance of £117\* and a co-opted member who is appointed as Chair of the Standards Advisory Committee may claim a co-optees' allowance of £240\*, for attendance at any meeting of the Committee or the Panel or attendance at any conference or training event, where attendance is on behalf of and authorised by the Council.
16. A claim for co-optees' allowance shall be made in writing within two months from the date of attendance at the meeting, conference or training event.
17. Where a member is suspended or partially suspended from his or her responsibilities or duties as a co-opted member under Part III of the Local Government Act 2000, any co-optee's allowance payable to him or her for the period for which he or she is suspended or partially suspended, may be withheld by the Council.

### **Suspension of Allowances**

18. Where the Mayor or a Councillor is suspended or partially suspended from his or her responsibilities or duties as a member of the Council under Part III of the Local Government Act 2000, or Regulations made under that Part, the part of the basic and special responsibility allowance or any travelling or subsistence allowance payable to him or her for the period for which he or she is suspended or partially suspended, may be withheld by the Council.

### **Recovery of Allowances Paid**

19. Any allowance that has been paid to a Member whilst on suspension or after he or she has ceased to be a member of the Council, or is for some other reason not entitled to receive the allowance for a specified period, may be recovered.

### **Claims and Payments**

20. Subject to paragraph 22, payments shall be made for basic and special responsibility allowances in instalments of one-twelfth of the amounts respectively specified in this Scheme, paid on the last working day of each month.

- 21.** Where a payment of one-twelfth of the amount specified in this Scheme for a basic or special responsibility allowance will result in the Member receiving more than the amount to which he or she is entitled, the payment shall be restricted to such amount as will ensure that no more is paid than the amount to which he or she is entitled.
- 22.** A claim for travelling and subsistence or dependants' carers' allowance;
- shall be made in writing within two months from the date of the performance of the duty for which the claim is made;
  - shall be accompanied by receipts and/or any relevant evidence of the costs incurred.
  - shall be subject to such validation and accounting procedures as the Council's Corporate Director, Resources may from time to time prescribe.
- 23.** Travelling and subsistence and dependants' carers' allowance shall be paid on the last working day of each month for any claim received not less than 14 days before that date.

### **Pensions**

- 24.** Any Member under the age of 75 shall be entitled to join the London Borough of Tower Hamlets Local Government Pension Scheme. Both basic and special responsibility allowances shall be treated as pensionable pay for the purposes of the scheme.

### **Records of Allowances and Publications**

- 25.** The Council shall keep a record of payments made by it under this Scheme, including the name of the recipients of the payment and the amount and nature of each payment.
- 26.** The record of the payments made by the Council under this Scheme shall be available at all reasonable times for inspection at no charge. A copy shall also be supplied to any person who requests it on payment of a reasonable fee.
- 27.** As soon as reasonably practicable after the end of the year to which this Scheme relates, the Council shall make arrangements to publish the total sums paid by it to each recipient for each different allowance.
- 28.** A copy of the Scheme shall be supplied to any person who requests it on payment of a reasonable fee.

## **Renunciation**

29. A member may at any time and for any period, by notice in writing given to the Chief Executive, elect to forego any part of his/her entitlement to an allowance under this Scheme.

## **Interpretation**

30. In this scheme:

- “Councillor” means an elected member of the London Borough of Tower Hamlets who is a councillor;
- “Mayor” means the elected Mayor of Tower Hamlets Council
- “Member” means any person who is either the Mayor, a councillor or a co-opted member of Tower Hamlets Council;
- “Co-opted member” means any person who is not a Councillor but who sits on a Committee, Sub-Committee or Panel of the Council.
- “Year” means the 12 months ending on 31 March in any year;

## **Revocation**

31. The London Borough of Tower Hamlets Members’ Allowance Scheme 2011 is hereby revoked.

## SCHEDULE 1

### ***Special Responsibility Allowance***

The following are specified as the special responsibilities for which special responsibility allowances are payable and the amounts of those allowances:

	£
Mayor	65,000 *
Deputy Mayor	14,742 *
Leader of the Majority Group on the Council	12,658 *
Leader of any other Group with over 6 Councillors	10,174 *
Leader of any Group with up to 6 Councillors (subject to having at least 10% of the Council)	5,531 *
Cabinet Members	12,658 *
Chair of Overview and Scrutiny Committee	10,174 *
Chair of Health Scrutiny Panel	7,557 *
Lead Members for Scrutiny	7,557 *
Chair of Development Committee	10,174 *
Chairs of Licensing, Appeals and General Purposes Committees	7,557 *
Chairs of Audit, Human Resources and Pensions Committees	5,531 *
Olympics Ambassador	5,531 *
Speaker of Council	7,557 *
Deputy Speaker of Council	3,777 *

*[\*Note: Paragraph 11 of this scheme provides for the amounts marked \* to be adjusted with effect from 1<sup>st</sup> April 2012 to reflect the annual pay settlement for local government staff when this is agreed.]*

## **SCHEDULE 2**

### ***Dependants' Carers' and Travelling and Subsistence Allowances***

The duties for which these allowances are payable include:

- the attendance at a meeting of the Council or of any committee or sub-committee of the Council or of any other body to which the Council makes appointments or nominations, or of any committee or sub-committee of such a body;
- the attendance at any other meeting, the holding of which is authorised by the Council, or a committee or sub-committee of the Council, or a joint committee of 270(1) of the Local Government Act 1972, or a sub-committee of such a joint committee, provided that –
- where the Council is divided into two or more political groups it is a meeting to which members of at least two such groups have been invited; or
- if the Council is not so divided, it is a meeting to which at least two members of the Council have been invited
- the attendance at a meeting of any association of authorities of which the Council is a member;
- the attendance at a meeting of the Cabinet or a meeting of any of its committees, where the Council is operating executive arrangements;
- the performance of any duty in pursuance of any standing order under section 135 of the Local Government Act 1972 requiring a member or members to be present while tender documents are opened;
- the performance of any duty in connection with the discharge of any function of the Council conferred by or under any enactment and empowering or requiring the Council to inspect or authorise the inspection of premises.
- the performance of any duty in connection with arrangements made by the Council for the attendance of pupils at any school approved for the purposes of section 342 of the Education Act 1996 (approval of non-maintained special schools); and
- the carrying out of any other duty approved by the Council, or any duty of a class so approved, for the purpose of, or in connection with, the discharge of the functions of the Council or any of its committees or sub-committees.

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# Agenda Item 11.2

<b>Committee/Meeting:</b> Standards Committee Council	<b>Date:</b> 10 May 2012 16 May 2012	<b>Classification:</b> Unrestricted	<b>Report No:</b>
<b>Report of:</b> Assistant Chief Executive (Legal) <b>Originating officer(s)</b> Isabella Freeman, Monitoring Officer		<b>Title:</b> Localism Act 2011 – The Amended Standards Regime  <b>Wards Affected:</b> All	

<b>Lead Member</b>	Deputy Mayor
<b>Community Plan Theme</b>	One Tower Hamlets
<b>Strategic Priority</b>	Work efficiently and effectively as one council

## 1. **SUMMARY**

- 1.1 This report updates the Council on the current position with regard to the Standards regime in the Localism Act 2011. It is anticipated that the new arrangements will fully come into force from 1 July 2012. A decision on establishing a Standards Advisory Committee; adopting a draft new Code of Conduct; and the appointment of a statutory Independent Person is sought so that arrangements can be put in place for a July commencement.

## 2. **DECISIONS REQUIRED**

- 2.1 The Council is recommended to approve the following with effect from the relevant commencement dates under the Localism Act 2011:-
- 2.2 The establishment of a Standards Advisory Committee with terms of reference as set out in Appendix 1.
- 2.3 The current seven Independent Members of the Standards Committee be reappointed as Co-Optees to the new Standards Advisory Committee when formed.
- 2.4 The arrangements for dealing with allegations of a breach of the Code of Conduct as set out in Appendix 2.
- 2.5 Authorise the Monitoring Officer to explore options for, and take the necessary action to appoint, an Independent Person whose appointment shall be confirmed by Full Council.

- 2.6 The delegation to the Monitoring Officer of authority to consider applications for dispensations from the restrictions on participation in any matter in which there is a disclosable pecuniary interest.
- 2.7 The adoption of a new Code of Member Conduct for the Council with effect from 1 July 2012 as set out in Appendix 3.

### **3. BACKGROUND**

- 3.1 The Localism Act 2011 makes fundamental changes to the system of regulation of standards of conduct for elected and co-opted members. The date for implementation of these changes is currently proposed to be 1 July 2012. It is therefore necessary for the new arrangements to be agreed at the meeting of Council in May 2012. Some of the changes are already effective in so far as they relate to referrals to the Standards Board for England.
- 3.2 This report describes the changes and recommends the actions required for the Council to implement the new regime. It will be necessary for the Council to approve a new Code of Conduct. A recommended draft code for Tower Hamlets is attached at Appendix 3. Whilst a Code will not be prescribed the Local Government Minister has published a model short form code (Appendix 4). The Local Government Association has also circulated a suggested template code (Appendix 5). However, other London Authorities have adopted a similar code to the previous model code and this is also proposed for Tower Hamlets.
- 3.3 The authority will remain under a statutory duty to promote and maintain high standards of conduct for its elected and co-opted members. As far as possible this report recommends a framework close to the current one as that is now well established and understood by members.
- 3.4 When in force the Act will repeal Section 55 of the Local Government Act 2000, which provides for the current statutory Standards Committee. So, there will be no requirement for a Standards Committee. However, there will still be a need to deal with standards issues and case work. Tower Hamlets had a Standards Committee before the current regime was introduced in the 2000 Act. This report proposes that similar arrangements are adopted under the new provisions as existed in Tower Hamlets before the current statutory requirements. Such a Committee will be a Committee of Council under S101 of the Local Government Act of 1972 without the unique features or statutory powers which were conferred on statutory Standards Committees. The composition of any Committee will be subject to proportionality. It is possible to co-opt non elected members onto a Committee of the Council however such co-optees cannot vote unless the committee is advisory.
- 3.5 The Act establishes a new category of Independent Persons (see below) who must be consulted at various stages, but provides that the existing co-



opted independent members of Tower Hamlets' Standards Committee cannot serve as Independent Persons for 5 years. Independent Persons may be invited to attend meetings of the Standards Committee, but are unlikely to be co-opted onto the Committee. Instead their role is one of input into any investigation of an alleged breach of the Code before the Council takes a decision in relation to the allegation.

- 3.6 However, that does not stop the Council establishing a Committee with co-optees. Section 13(4)(e) Local Government Housing Act 1989 provides that co-optees have to be non-voting unless the Committee is an advisory Committee and not decision making established under Section 102(4) of the Local Government Act 1972. Under Section 12 of the 1972 Local Government Act, the Chair must have a casting vote. Accordingly, the committee cannot have an independent Chair unless it is an advisory committee. Tower Hamlets adopted a Standards Committee regime before the 2000 Act provisions were enacted that comprised co-optees from outside the elected membership with advisory powers. This report largely proposes similar arrangements to those for the Standards Committee after the Act comes into force. The role of the proposed committee will be advisory as its remit will be to recommend action to be taken in relation to investigation of complaints and to monitor and review the Council's arrangement for upholding high standards of conduct amongst its elected members and make recommendations to the Council in that regard.

#### **4. CODE OF CONDUCT**

- 4.1 The current ten General Principles and Model Code of Conduct will be repealed. However, the Council is required to adopt a new Code of Conduct governing elected and co-opted member's conduct when acting in that capacity. The Council's new Code of Conduct must, when viewed as a whole, be consistent with the following seven principles; Selflessness; Integrity; Objectivity; Accountability; Openness; Honesty and Leadership
- 4.2 The Council has discretion as to what it includes within its new Code of Conduct, provided that it is consistent with the seven principles. The Code needs to be adopted at the May 2012 Meeting of the Council to come in to effect from 1 July 2012.
- 4.3 Regulations to be made under the Act will require the registration and disclosure of "Disclosable Pecuniary Interests" (DPIs), broadly equating to the current prejudicial interests. The provisions of the Act also require an authority's code to contain appropriate requirements for the registration of other pecuniary interests and non-pecuniary interests. The result is that it is not possible yet to draft Code provisions which reflect the definition of DPIs which will appear in Regulations yet to be drafted.
- 4.4 However, it is known that the Council's new Code of Conduct to have effect from 1 July 2012 should include provisions which deal with the following matters:-

- General conduct rules, to give effect to the seven principles. This corresponds broadly with paragraphs 3 to 7 of the current Code of Conduct, applies to conduct of an elected or co-opted member of the Council or any of its committees or sub committees. [The Council can amend its Code of Conduct subsequently if it wishes.]
- A requirement for registration and disclosure of pecuniary and non-pecuniary interests but only requiring withdrawal as specified by the Act in relation to Disclosable Pecuniary Interests
- Arrangements for dealing with an alleged breach of the Code.

## 5. **ARRANGEMENTS FOR DEALING WITH MISCONDUCT COMPLAINTS**

- 5.1 The Act requires that the Council adopt “arrangements” for investigating and deciding upon complaints of breach of Code of Conduct. The proposals in this report are to establish a Standards Advisory Committee which will operate in much the same way as it did before the 2000 Act came into effect. The committee would operate as an advisory committee (thus enabling co-optees to be fully participating members). Its powers (which are very much reduced under the new legislation) would be advisory.
- 5.2 This report proposes that Council delegate to the Monitoring Officer the initial decision on whether a complaint requires investigation, subject to consultation with the Independent Person. Where the Monitoring Officer feels that it would be inappropriate to take a decision on it, for example where s/he has previously advised the member on the matter or the complaint is particularly sensitive then may refer it to the Standards Advisory Committee for advice. It is also recommended that the Monitoring Officer has delegated powers to seek to resolve a complaint informally, before taking a decision on whether the complaint merits formal investigation.
- 5.3 Where a formal investigation finds no evidence of failure to comply with the Code of Conduct, it is proposed to delegate this decision to the Monitoring Officer, who would be required to consult with the Independent Person (under the Act) but with the power to refer a matter to Standards Advisory Committee if s/he feels appropriate. Copies of all investigation reports will be provided to the Independent Person to enable them to give their view as required by the Localism Act.
- 5.4 Where a formal investigation finds evidence of failure to comply with the Code of Conduct, there may yet be an opportunity for local resolution, avoiding the necessity of a local hearing. The Monitoring Officer should only agree a local resolution after consultation with the Independent Person and where the complainant is satisfied with the outcome.
- 5.5 In all other cases, where the formal investigation finds evidence of a failure to comply with the Code of Conduct, it is proposed that the Standards Advisory Committee (in practice a Hearings Panel constituted as a Sub-Committee of Standards Advisory Committee) hold a hearing at which the member against

whom the complaint has been made can respond to the investigation report, and the Hearing Panel can consider whether the member did fail to comply with the Code of Conduct and if so what action, if any, is appropriate to recommend as a result. The Independent Person's views would have to be incorporated into this process.

- 5.6 The Act does not give the Council or its proposed Standards Advisory Committee any powers to impose sanctions such as suspension or requirements for training or an apology on members. So, where a failure to comply with the Code of Conduct is found, the range of actions which the authority can take in respect of the member is limited and must be directed to securing the continuing ability of the authority to continue to discharge its functions effectively, rather than "punishing" the member concerned. Case law made before the 2000 Act provisions confirms the limited extent of powers without any statutory provisions. The proposed Terms of Reference appended set out the extent of those powers and have been framed as advisory powers only in view of the recommendations in this report for the committee's constitution.
- 5.7 There will be no statutory ability to require an apology (as at present) however the process proposed would ensure the Monitoring Officer sought local resolution whenever possible which maybe via an apology. It is only likely that those cases not suitable for an apology or where the member has refused to give one would be likely to go to the Standards Advisory Committee.
- 5.8 The Standards Advisory Committee will be able to write a formal letter to the Member informing them of their advice in relation to their conduct under the Code.
- 5.9 Likewise, the Committee would be subject to the access to meetings and information rules and so its recommendations would be published.
- 5.10 Without a statutory framework it is difficult to see how any appeals mechanism could operate. However were a subject member to be dissatisfied with the recommendation from the Standards Advisory Committee he/she could say so and request that the Committee take alternative action. Were a complainant dissatisfied it would be open to them to provide further information of relevance the Monitoring Officer and Independent Person who would deciding whether the matter warranted further consideration and they would have to access the Council's complaints process. Ultimately the actions of the authority could be subject to Judicial Review.

## 6. **INDEPENDENT PERSON(S)**

- 6.1 The "arrangements" adopted by the Council must include provision for the appointment by the Council of at least one Independent Person. The Independent Person must be appointed through a process of public advertisement, application and appointment by a positive vote of a majority

of all members of the Council (not just of those present and voting). The Act sets out specific statutory prohibitions on who can be an Independent Person and excludes previous and current members and Co-optees, their relatives and close friends.

- 6.2 The independent Person must be consulted by the authority before it makes a finding as to whether a member has failed to comply with the Code of Conduct or decides on action to be taken in respect of that member. They may be consulted by the authority in respect of a standards complaint at any other stage; and they may be consulted by a member or co-opted member of the Council against whom a complaint has been made. This causes some problems, as it would be inappropriate for an Independent Person who has been consulted by the member against whom the complaint has been made, and who might as a result be regarded as prejudiced on the matter, to be involved in the determination of that complaint. However it is most likely that members would seek such advice from the Monitoring Officer or her deputy rather than the Independent Person.
- 6.3 The Act gives discretion to appoint one or more Independent Persons, but provides that each Independent Person must be consulted before any decision is taken on a complaint which has been investigated. Accordingly, there would appear to be little advantage in appointing more than one Independent Person or the process will be unwieldy. It is recommended that reserve candidates are retained and can be activated at short notice, without the need for re-advertisement, in the event that the Independent Person is no longer able to discharge the function.
- 6.4 As the Independent Person is not a member of the authority or of its Committees or Sub-Committees, the remuneration of the Independent Person no longer comes within the scheme of the members' allowances, and can therefore be determined without reference to the Independent Remuneration Panel. It is appropriate to undertake a proper review of the function before setting the remuneration and to see what other authorities are proposing.

## 7. THE REGISTER OF MEMBERS' INTERESTS

- 7.1 The Localism Act abolishes the concepts of personal and prejudicial interests. Instead, regulations will define "Disclosable Pecuniary Interests" (DPIs). The Monitoring Officer is required to maintain a register of interests, which must be available for inspection and available on the Council's website.
- 7.2 At present we do not know what Disclosable Pecuniary Interests will be, but they are likely to be broadly equivalent to the current prejudicial interests. The intention was to simplify the registration requirement, but in fact the Act extends the requirement for registration to cover not just the member's own interests, but also those of the member's spouse or civil partner, or someone living with the member in a similar capacity. Failure to comply with these provisions may lead to criminal sanctions.

- 7.3 The provisions of the Act in respect of the Code of Conduct require an authority's Code to contain appropriate requirements for the registration of other pecuniary interests and non-pecuniary interests.

## **8. DISCLOSURE OF INTERESTS AND WITHDRAWAL FROM MEETINGS**

- 8.1 If a member has a Disclosable Pecuniary Interest (as will be defined by the Regulations) in any matter, he/she must not take part in any discussion or vote. Failure to comply becomes a criminal offence, rather than leading to sanctions.
- 8.2 The Council's Code of Conduct must make "appropriate" provisions for disclosure and withdrawal for interests other than DPIs. Failure to comply with these requirements would be a breach of the Code of Conduct but not a criminal offence.

## **9. SENSITIVE INTERESTS**

- 9.1 The Act effectively re-enacts the existing Code of Conduct provisions on Sensitive Interests. Where a member is concerned that disclosure of the detail of an interest (either a DPI or any other interest which he/she would be required to disclose) at a meeting or on the register of members' interests would lead to the member or a person connected with him/her being subject to violence or intimidation, he/she may request the Monitoring Officer to agree that the interest is a "sensitive interest".
- 9.2 If the Monitoring Officer agrees, the member thereby merely has to disclose the existence of an interest, rather than the detail of it, at a meeting, and the Monitoring Officer can exclude the detail of the interest from the published version of the register of members' interest.

## **10. DISPENSATIONS**

- 10.1 The provisions on dispensations are significantly changed by the Localism Act. At present, a member who has a prejudicial interest may apply to Standards Committee for a dispensation. In future, a dispensation will be able to be granted in the following circumstances.

- 10.1.1 That so many members of the decision-making body have DPIs in a matter that it would "impede the transaction of the business". In practice this means that the decision-making body would be inquorate as a result;
- 10.1.2 That, without the dispensation, the representation of different political groups on the body transacting the business would be so upset as to alter the outcome of any vote on the matter. This assumes that members are predetermined to vote on party lines on the matter, in which case, it could be inappropriate to grant a dispensation to enable them to participate.

- 10.1.3 That the authority considers that the dispensation is in the interests of persons living in the authority's area;
  - 10.1.4 That without a dispensation, the Mayor (or where the Cabinet is discharging executive functions on behalf of the Mayor, sufficient members of the Cabinet) would be unable to participate on this matter. It will be necessary to make provision in the scheme of delegations from the Mayor to cover this, admittedly unlikely, eventuality); or
  - 10.1.5 That the authority considers that it is otherwise appropriate to grant a dispensation.
- 10.2 Any grant of a dispensation must specify how long it lasts for, up to a maximum of 4 years.
- 10.3 The Local Government Act 2000 required that dispensations be granted by Standards Committee. The Localism Act gives discretion for this power to be delegated. If the proposal is for the committee to be advisory the decision would need to be delegated to the Monitoring Officer or another committee or the Council. The Standards Committee could have an advisory role. Such requests have not arisen to date in Tower Hamlets.

## **11. COMMENTS OF THE CHIEF FINANCIAL OFFICER**

- 11.1 There are no financial implications arising from this report.

## **12. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL SERVICES)**

- 12.1 The Assistant Chief Executive (Legal) is the author of this report and the legal implications arising from this matter are set out in the body of the report.

## **13. ONE TOWER HAMLETS CONSIDERATIONS**

- 13.1 Equalities considerations have been included in the Code.

## **14. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

- 14.1 There are no implications arising from this report.

## **15. RISK MANAGEMENT IMPLICATIONS**

- 15.1 There are no implications arising from this report.

## **16. CRIME AND DISORDER REDUCTION IMPLICATIONS**

- 16.1 There are no implications arising from this report.

**17. EFFICIENCY STATEMENT**

17.1 There are no implications arising from this report.

**18. APPENDICES**

- Appendix 1 – Draft terms of reference for the Standards Advisory Committee
  - Appendix 2 – Draft arrangements for dealing with complaints of breach of the Code of Conduct
  - Appendix 3 – Draft Code of Conduct
  - Appendix 4 – Model Short Form Code
  - Appendix 5 – LGA Template Code of Conduct
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**Local Government Act, 1972 Section 100D (As amended)**  
**List of “Background Papers” used in the preparation of this report**

Brief description of “background papers”	Name and telephone number of holder and address where open to inspection.
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No unpublished background papers have been relied upon to a material extent in preparing this report	n/a
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**DRAFT TERMS OF REFERENCE FOR THE STANDARDS ADVISORY COMMITTEE**

**1. Standards Advisory Committee**

The Council using the powers under section 102(4) of the Local Government Act 1972 have established a Standards Advisory Committee.

The Standards Advisory Committee shall have the power to create Sub-Committees in order to discharge its advisory role.

**2. Composition**

The Standards Advisory Committee shall be comprised of Members of the Council, appointed by the Council in accordance with the requirements of political proportionality; and up to seven persons who are not Members or officers of the Council or any other relevant authority (i.e. Co-opted members.)

The Co-opted member(s) will be entitled to vote at meetings under the provisions of S13 (4) (e) of the Local Government and Housing Act 1989.

The Committee shall establish Hearing Sub-Committees in accordance with these terms of reference.

**3. Appointment of Co-Opted Members**

A person may not be appointed as a Co-opted member of the Standards Advisory Committee or one of its sub-committees unless the appointment is approved by Full Council.

The term of appointment shall be for four years unless otherwise determined by Full Council or the Co-optee does not continue to fulfil any required conditions as may be determined by the Authority from time to time. Co-opted members may serve as many terms of appointment as the Council considers appropriate.

**4. Role and Function**

The Standards Advisory Committee has the following roles:

- 4.1 To recommend to the Monitoring Officer whether complaints of a breach of the Members Code of Conduct should be referred for investigation by the Monitoring Officer or an investigator appointed by the Monitoring Officer where the Monitoring Officer considers it appropriate to refer the complaint to the Standards Advisory Committee for consideration,

- 4.2 To receive reports from the Monitoring Officer on the numbers of complaints of the Code received, the decisions taken by the Monitoring Officer (in consultation with the Independent Person) on such complaints and investigation outcomes where the investigation determines there was no evidence of a failure to comply with the code or where the investigation outcome recommends a local resolution.
- 4.3 To convene a Hearings Sub-Committee or at least 3 Members of the Standards Advisory committee to consider any matter where the investigation finds evidence of a failure to comply with the Code and a local resolution is not possible or appropriate.
- 4.4 To make such recommendations as the Hearings Sub-Committee considers appropriate as a result of any matter referred including;
- Reporting its findings to Council for information;
  - Recommending to the member's Group Leader (or in the case of ungrouped members, recommend to Council or to Committees) removal from any or all Committees or Sub-Committees of the Council;
  - Recommending to the Mayor removal from the Executive, or from particular Portfolio responsibilities;
  - Recommending the Monitoring Officer arrange training for the member;
  - Recommending removal from outside appointments to which he/she has been appointed or nominated;
  - Recommending withdrawing facilities provided to the member by the Council, such as a computer, website and/or email and Internet access;
  - Recommending excluding the member from the Council's offices or other premises, with the exception of meeting rooms as necessary for attending Council, Executive Committee and Sub-Committee meetings;
  - Recommending the Member to contact the Council via specified point(s) of contact.
- 4.5 Promoting and maintaining high standards of conduct by Members of the Council, co-opted members and church and parent governor representatives and where the Committee considers that there may be issues of concern recommending that the Monitoring Officer considers and reports on the issues raised.
- 4.6 Assisting Members of the Council, co-opted members and church and parent governor representatives to observe the Council's Code of Conduct for Members;
- 4.7 Advising the Council on the adoption or revision of the Code of Conduct for Members;
- 4.8 Monitoring the operation of the Code of Conduct for Members;

- 4.9 Advising, training or arranging to train Members of the Council, co-opted members and church and parent governor representatives on matters relating to the Code of Conduct for Members:
- 4.10 To act as an advisory body in respect of any matters referred to the Standards Committee by the LSP or Community Forums in respect of probity issues arising out of the codes and protocols applicable to relevant members of the LSP and Community Forums as set out in the Community Forum handbook and as may be amended from time to time.
- 4.11 Advice on allegations of Member breaches of the Protocols set out in the constitution as maybe referred to the Committee by the Monitoring Officer and to make recommendations with regard to such allegations as maybe so referred.
- 4.12 Advising on local protocols for both Officer and Member governance.
- 4.13 To monitor and review Member and Officer Procedures for Register of Interests and declaring gifts and hospitality.
- 4.14 To receive periodic reports on the Council's Ethical Governance arrangements, on whistle blowing arrangements and complaints.
- 4.15 As requested by the Monitoring Officer, to advise on any applications for dispensations in relation to participation at a meeting by a member with a Disclosable Pecuniary Interest.

## **5. Validity of proceedings**

A meeting of the Standards Advisory Committee or one of its sub-committees shall only be quorate where at least three members of the Committee or sub-committee are present for its duration.

Part VA of the Local Government Act 1972 applies in relation to meetings of the Standards Advisory Committee or its sub-committees as it applies to meetings of the Council.

## **6. Hearing Sub-Committee**

Any Hearing Sub-Committee shall comprise a minimum of 3 Members of the Standards Advisory Committee at least 1 of whom shall be a co-opted Member.

The Hearing Sub-Committee shall consider complaints referred to it that an elected or co-opted Member of the Council may have failed to comply with the Council's Code of Conduct for Members or local protocol where the complaint has been subject to an investigation arranged by the Monitoring Officer and shall make recommendations accordingly. The Hearings Sub Committee shall decide at the outset of the meeting whether it is in the public interest that

the Hearing is held in a public or private session in accordance with relevant statutory guidance as advised by the Monitoring Officer.

## **7. Attendance Requirements**

At any meeting when any Member of the Committee is unable to attend, the meeting shall consider whether they shall condone the non-attendance. The Member concerned shall be notified of the Committee's decision in connection with their non-attendance.

If the Committee has condoned non-attendance for the same Member for at least two consecutive meetings then in the event of further consecutive non-attendance at a meeting the Committee shall (a) if it is an Elected Member decide whether it is appropriate for them to inform the relevant group of the non-attendance or (b) if it is an independent Member decide if they should inform the Council that a vacancy has arisen.

The Committee shall not declare such a vacancy has arisen without first giving the absent Member an opportunity to make representations (which may be made in writing) as to their non-attendance and any matters they wish the Committee to take into account.

## **8. Procedures**

The Committee shall agree a set of procedures to enable it to discharge the arrangements under these Terms of Reference.

**DRAFT ARRANGEMENTS FOR DEALING WITH COMPLAINTS OF BREACH OF THE CODE OF CONDUCT**

1. The Monitoring Officer shall be the Proper Officer to receive complaints of failure to comply with the Code of Conduct.
2. The Monitoring Officer shall ensure that the Council appoints at least one Independent Person and at least one reserve Independent Person.
3. The Monitoring Officer shall, after consultation with the Independent Person, determine whether a complaint merits formal investigation and arrange such investigation.
4. The Monitoring Officer may refer complaints of failure to comply with the Code to the Standards Advisory Committee to recommend whether or not the complaint requires investigation where s/he feel that it is inappropriate for him/her to take the decision without seeking their advice.
5. The Monitoring Officer will report quarterly (or less frequently if there are no complaints to report) to the Standards Advisory Committee on the number and nature of complaints received and action taken as a result.
6. If a complaint of failure to comply with the Code is referred for investigation the Monitoring Officer shall appoint an investigator or complete the investigation him/herself. Such investigation should be completed within 3 months of the decision to refer the matter for investigation.
7. The Monitoring Officer may, during the course of the investigation, seek local resolution of the matter to the satisfaction of the complainant before the investigation is concluded.
8. Where any investigation into a complaint of breach of the Code finds no evidence of failure to comply with the Code of Conduct, the Monitoring Officer shall close the matter, provide a copy of the report and findings of the investigation which shall be kept confidential to the complainant and to the member concerned and to the Standards Advisory Committee for information.
9. Where the investigation finds evidence of a failure to comply with the Code of conduct, the Monitoring Officer in consultation with the Independent Person, may seek local resolution to the satisfaction of the complainant in appropriate cases, with a summary report for information to Standards Advisory Committee. Where such local resolution is not appropriate or not possible the Monitoring Officer shall report the investigation findings to a Hearings Panel of the Standards Advisory Committee for local hearing and recommendations. The Hearings Panel may sit in private after advice from the Monitoring Officer.

10. A Hearings Panel will advise whether or not the Panel considers there has been a breach of the Code and may if it considers sanction is appropriate having heard the matter:-
  - Report its findings to Council for information;
  - Recommend to the member's Group Leader (or in the case of ungrouped members, recommend to Council or to Committees) that he/she be removed from any or all Committees or Sub-Committees of the Council;
  - Recommend to the Mayor that the member be removed from the Executive, or removed from particular Portfolio responsibilities;
  - Recommend the Monitoring Officer to arrange training for the member;
  - Recommend removing from all outside appointments to which he/she has been appointed or nominated;
  - Recommend withdrawing facilities provided to the member by the Council, such as a computer, website and/or email and Internet access; or
  - Recommend excluding the member from the Council's offices or other premises, with the exception of meeting rooms as necessary for attending Council, Executive Committee and Sub-Committee meetings;
  - Recommend the member to contact the Council via specified point(s) of contact;
  - Write to the member with their advice on their conduct.
11. The recommendations of the Hearing Panels shall be published.
12. Should a complainant be dissatisfied with the outcome of their complaint of a breach of the Code there is no formal right of appeal. However in the event that the Complainant submits additional relevant information the Monitoring Officer shall consider and decide if the matter warrants further consideration under these arrangements in which case it shall be treated as a fresh Complaint.

## Draft Code of Conduct for Members

### CONTENTS

Section	Subject
1	Introduction
2	Scope and Interpretation
3	General Obligations
4	Interests
5	Disclosable Pecuniary Interests
6	Interests arising in relation to Overview and Scrutiny Committees
7	Effect of Disclosable Pecuniary Interest on Participation at Meetings
8	The Register of Members' Interests
9	Sensitive Information

#### 1. INTRODUCTION

**1.1** Tower Hamlets Council has adopted this Code of Conduct for Members in accordance with the Localism Act 2011. The Code will assist the authority in providing excellent local government for the people of the borough. This Code of Conduct applies to the Mayor and all Members and Co-Opted Members of the authority or any of its committees or sub-committees and it is your responsibility to comply with the provisions of this Code.

#### 1.2 Tower Hamlets' Code of Conduct

- (a) Any alleged breach of the provisions of the Code of Conduct by a Member or co-opted Member of the authority shall be dealt with in accordance with the arrangements set out in Appendix A to this Code.

#### 1.3 Additional Codes and Protocols

- (a) The Council has approved the following additional Codes and Protocols:
- Planning Code of Conduct
  - Licensing Code of Conduct
  - Member/Officer Protocol
  - Employees' Code of Conduct

This Code should be read in conjunction with these Codes and Protocol's that have been adopted by the Council as supplementary guidance for Members and officers. These Codes and Protocols do not form part of the Code of Conduct but Members and officers are required to comply with their provisions.

- (b) Any failure by a Member to comply with these additional Codes and Protocols may be investigated in accordance with the arrangements set out at Appendix A to this Code
- (c) Any failure by an officer to comply with these additional Codes and Protocols will be referred to the relevant Corporate Director and where appropriate disciplinary action may be taken.

#### **1.4 General Principles of Conduct**

You should read this Code together with the general principles prescribed by the Localism Act 2011. These principles are listed below and they should guide all aspects of your conduct as a member of the authority:-

- (a) selflessness;
- (b) integrity;
- (c) objectivity;
- (d) accountability;
- (e) openness
- (f) honesty; and
- (g) leadership.

#### **1.5 Further Guidance**

If you require further guidance on the application or interpretation of the provisions of this Code of Conduct or any of the additional Codes and Protocols approved by the Council you should contact the Monitoring Officer.

### **2. SCOPE AND INTERPRETATION**

**2.1** In this Code 'meeting' means any meeting of:

- (a) the authority;
- (b) the executive of the authority (currently known as the cabinet);
- (c) any of the authority's or its cabinet's committees, sub-committees, joint committees, joint sub-committees, panels, or area committees

**2.2** In this Code 'Member' includes a co-opted Member and an appointed Member.



**2.3** Subject to paragraph 2.4, you must comply with this Code whenever you:

- (a) conduct the business of the authority (which, in this Code, includes the business of the office to which you are elected or appointed); or
- (b) act, claim to act or give the impression you are acting as a representative of the authority;

and references to your official capacity are construed accordingly.

**2.4** Where you act as a representative of the authority:

- (a) on another relevant authority (as defined by section 49(6) of the Local Government Act 2000), you must, when acting for that other authority, comply with any code of conduct adopted by that other authority;
- (b) on any other body, you must, when acting for that other body, comply with this Code of Conduct, except and insofar as it conflicts with any other lawful obligations to which that other body may be subject.

### **3. GENERAL OBLIGATIONS**

**3.1** You must treat others with respect.

**3.2** You must not:

- (a) do anything which may cause the authority to breach the Equality Act 2010 or any other equality enactment;
- (b) bully any person;
- (c) intimidate or attempt to intimidate any person who is or is likely to be:
  - (i) a complainant,
  - (ii) a witness, or
  - (iii) involved in the administration of any investigation or proceedings,in relation to an allegation that a Member (including yourself) has failed to comply with his or her authority's code of conduct;
- (d) do anything which compromises or is likely to compromise the impartiality of those who work for, or on behalf of, the authority.

**3.3.** You must not:

- (a) prevent another person from gaining access to information to which that person is entitled by law.
- (b) disclose information given to you in confidence by anyone, or information acquired by you which you believe, or ought reasonably to be aware, is of a confidential nature, **except** where:
  - (i) you have the consent of a person authorised to give it; or
  - (ii) you are required by law to do so; or
  - (iii) the disclosure is made to a third party for the purpose of obtaining professional advice provided that the third party agrees not to disclose the information to any other person; or
  - (iv) the disclosure is—
    - (a) reasonable **and** in the public interest **and** made in good faith **and** in compliance with the reasonable requirements of the authority.

**3.4** You must not conduct yourself in a manner which could reasonably be regarded as bringing your office or the authority into disrepute.

**3.5** You:

- (a) must not use or attempt to use your position as a Member improperly to confer on or secure for yourself or any other person, an advantage or disadvantage;
- (b) must, when using or authorising the use by others of the resources of the authority:
  - (i) act in accordance with the authority's reasonable requirements;
  - (ii) ensure that such resources are not used improperly for political purposes (including party political purposes);
- (c) must have regard to any applicable Local Authority Code of Publicity made under the Local Government Act 1986.

**3.6** When reaching decisions on any matter you must have regard to any relevant advice provided to you by:

- (a) the authority's Chief Finance Officer; and/or
- (b) the authority's Monitoring Officer,

where they are acting pursuant to their statutory duties.

**3.7** You must give reasons for all decisions in accordance with any statutory requirements and any reasonable additional requirements imposed by the authority.

#### **4. INTERESTS**

**4.1** You have an interest in any business of the authority where either:

(a) it relates to or is likely to affect:

(i) any body of which you are a member or in a position of general control or management and to which you are appointed or nominated by the authority;

(ii) any body

(aa) exercising functions of a public nature;

(bb) directed to charitable purposes; or

(cc) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union),

of which you are a member or in a position of general control or management;

(iii) any employment or business carried on by you;

(iv) any person or body who employs or has appointed you;

(v) any person or body, other than a relevant authority, who has made a payment to you in respect of your election or any expenses incurred by you in carrying out your duties;

(vi) any person or body who has a place of business or land in the authority's area, and in whom you have a beneficial interest in a class of securities of that person or body that exceeds the nominal value of £25,000 or one hundredth of the total issued share capital (whichever is the lower);

(vii) any contract for goods, services or works made between the authority and you or a firm in which you are a partner, a company of which you are a remunerated director, or a person or body of the description specified in paragraph (vi);

(viii) the interests of any person from whom you have received a gift or hospitality with an estimated value of at least £25;

(ix) any land in the authority's area in which you have a beneficial interest;

(x) any land where the landlord is the authority and you are, or a firm in which you are a partner, a company of which you are a remunerated director, or a person or body of the description specified in paragraph (vi) is, the tenant;

(xi) any land in the authority's area for which you have a licence (alone or jointly with others) to occupy for 28 days or longer; or

- (b) a decision in relation to that business might reasonably be regarded as affecting your well-being or financial position or the well-being or financial position of a relevant person to a greater extent than the majority of other council tax payers, ratepayers or inhabitants of the electoral division or ward, as the case may be, affected by the decision.

**4.2** In paragraph 4.1(b), a relevant person is:

- (a) a member of your family or any person with whom you have a close association; or
- (b) any person or body who employs or has appointed such persons, any firm in which they are a partner, or any company of which they are directors;
- (c) any person or body in whom such persons have a beneficial interest in a class of securities exceeding the nominal value of £25,000; or
- (d) any body of a type described in paragraph 4.1 (a) (i) or (ii).

## **5. DISCLOSABLE PECUNIARY INTERESTS**

**5.1** A Disclosable Pecuniary Interest (DPI) is ..... *(to be inserted when the relevant regulations have been issued)*.....

NB: A Member's DPIs include his/her own relevant interests and also those of his/her spouse or civil partner; or a person with whom the Member is living as husband and wife; or a person with whom the Member is living as if they were civil partners; if the Member is aware that that other person has the interest.

**5.2** Subject to paragraphs 5.3 to 5.6, where you have a Disclosable Pecuniary Interest in any business of the authority which is not included in the Member's register of interests and you attend a meeting of the authority at which the business is considered, you must disclose to that meeting the existence and nature of that interest at the commencement of that consideration, or when the interest becomes apparent; and must within 28 days notify the Monitoring Officer of the interest for inclusion in the register.

- 5.3** Paragraph 5.2 only applies where you are aware or ought reasonably to be aware of the existence of the interest.
- 5.4** Where you have an interest but, by virtue of section 9, sensitive information relating to it is not registered in the authority's register of members' interests, you must indicate to the meeting that you have a personal interest, but need not disclose the sensitive information to the meeting.
- 5.5** Subject to paragraph 7.1 (b), where you have an interest in any business of the authority and you have made an executive decision in relation to that business, you must ensure that any written statement of that decision records the existence and nature of that interest.
- 5.6** In this Code 'executive decision' is to be construed in accordance with any regulations made by the Secretary of State under section 22 of the Local Government Act 2000.
- 5.7** You do not have a Disclosable Pecuniary Interest in any business of the authority where that business:
- (a) does not affect your financial position or the financial position of a person or body described in section 4 above;
  - (b) does not relate to the determining of any approval, consent, licence, permission or registration in relation to you or any person or body described in section 4 above; or
  - (c) relates to the functions of the authority in respect of:
    - (i) housing, where you are a tenant of the authority provided that those functions do not relate particularly to your tenancy or lease;
    - (ii) school meals or school transport and travelling expenses, where you are a parent or guardian of a child in full time education, or are a parent governor of a school, unless it relates particularly to the school which the child attends;
    - (iii) statutory sick pay under Part XI of the Social Security Contributions and Benefits Act 1992, where you are in receipt of, or are entitled to the receipt of, such pay;
    - (iv) an allowance, payment or indemnity given to Members;
    - (v) any ceremonial honour given to Members; or
    - (vi) setting council tax or a precept under the Local Government Finance Act 1992.
- (NB: The above provision to be reviewed when the regulations regarding DPIs are issued)*

## **6. INTERESTS ARISING IN RELATION TO OVERVIEW AND SCRUTINY COMMITTEES**

- 6.1** You have an interest in any business before an overview and scrutiny committee of the authority (or of a sub-committee of such a committee) where:
- (a) that business relates to a decision made (whether implemented or not) or action taken by the Mayor or the authority's cabinet or another of the authority's committees, sub-committees, joint committees or joint sub-committees : and
  - (b) at the time the decision was made or action was taken, you were the Mayor or a member of the cabinet, committee, sub-committee, joint committee or joint sub-committee mentioned in paragraph (a) and you were present when that decision was made or action was taken.

## **7. EFFECT OF DISCLOSABLE PECUNIARY INTERESTS ON PARTICIPATION AT MEETINGS**

- 7.1** Subject to paragraph 7.2 where you have a DPI in any business of the authority:
- (a) you must withdraw from the room or chamber where a meeting considering the business is being held:
    - (i) in a case where paragraph 7.2 applies, immediately after making representations, answering questions or giving evidence;
    - (ii) in any other case, whenever it becomes apparent that the business is being considered at that meeting;unless you have obtained a dispensation from the authority's Monitoring Officer;
  - (b) you must not exercise executive functions in relation to that business; and
  - (c) you must not seek improperly to influence a decision about that business.
- 7.2** Where you have a Disclosable Pecuniary Interest in any business of the authority, or in relation to business before an Overview and Scrutiny Committee of the kind described at section 6 above, you may attend a meeting (including a meeting of the Overview and Scrutiny Committee or of a sub-committee of such a committee) but only for the purpose of making representations, answering questions or giving evidence relating to the

business, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise.

## **8. THE REGISTER OF MEMBERS' INTERESTS**

**8.1** Subject to paragraph 9, you must, within 28 days of:

- (a) this Code being adopted by the authority; or
- (b) your election or appointment to office (where that is later); or
- (c) Disclosing a DPI at a meeting of the authority, its executive or any committee or sub-committee;

Notify the Monitoring Officer in writing, for inclusion in the authority's Register of Members' Interests, of details of your Disclosable Pecuniary Interests and other interests that fall within any of the categories mentioned in paragraphs 4.1 (a).

**8.2** Subject to paragraph 9, you must, within 28 days of becoming aware of any new DPI or change to any interest registered under paragraph 8.1, register details of that new personal interest or change by providing written notification to the authority's Monitoring Officer.

## **9. SENSITIVE INFORMATION**

**9.1** Where you consider that the information relating to any of your personal interests is sensitive information, and the authority's Monitoring Officer agrees, you need not include that information when registering that interest, or, as the case may be, a change to that interest under paragraph 8.

**9.2** You must, within 28 days of becoming aware of any change of circumstances which means that information excluded under paragraph 9.1 is no longer sensitive information, notify the authority's Monitoring Officer asking that the information be included in the authority's Register of Members' Interests.

**9.3** In this Code, 'sensitive information' means information whose availability for inspection by the public creates, or is likely to create, a serious risk that you or a person who lives with you may be subjected to violence or intimidation.





**Illustrative text for code dealing with the conduct expected of members and co-opted members of the authority when acting in that capacity**

You are a member or co-opted member of the [name] council and hence you shall have regard to the following principles – selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

Accordingly, when acting in your capacity as a member or co-opted member -

You must act solely in the public interest and should never improperly confer an advantage or disadvantage on any person or act to gain financial or other material benefits for yourself, your family, a friend or close associate.

You must not place yourself under a financial or other obligation to outside individuals or organisations that might seek to influence you in the performance of your official duties.

When carrying out your public duties you must make all choices, such as making public appointments, awarding contracts or recommending individuals for rewards or benefits, on merit.

You are accountable for your decisions to the public and you must co-operate fully with whatever scrutiny is appropriate to your office.

You must be as open as possible about your decisions and actions and the decisions and actions of your authority and should be prepared to give reasons for those decisions and actions.

You must declare any private interests, both pecuniary and non-pecuniary, that relate to your public duties and must take steps to resolve any conflicts arising in a way that protects the public interest, including registering and declaring interests in a manner conforming with the procedures set out in the box below.

You must, when using or authorising the use by others of the resources of your authority, ensure that such resources are not used improperly for political purposes (including party political purposes) and you must have regard to any applicable Local Authority Code of Publicity made under the Local Government Act 1986.

You must promote and support high standards of conduct when serving in your public post, in particular as characterised by the above requirements, by leadership and example.

**Registering and declaring pecuniary and non-pecuniary interests**

You must, within 28 days of taking office as a member or co-opted member, notify your authority's monitoring officer of any disclosable pecuniary interest as defined by regulations made by the Secretary of State, where the pecuniary interest is yours,

your spouse's or civil partner's, or is the pecuniary interest of somebody with whom you are living with as a husband or wife, or as if you were civil partners.

In addition, you must, within 28 days of taking office as a member or co-opted member, notify your authority's monitoring officer of any disclosable pecuniary or non-pecuniary interest which your authority has decided should be included in the register.

If an interest has not been entered onto the authority's register, then the member must disclose the interest to any meeting of the authority at which they are present, where they have a disclosable interest in any matter being considered and where the matter is not a 'sensitive interest'.<sup>1</sup>

Following any disclosure of an interest not on the authority's register or the subject of pending notification, you must notify the monitoring officer of the interest within 28 days beginning with the date of disclosure.

Unless dispensation has been granted, you may not participate in any discussion of, vote on, or discharge any function related to any matter in which you have a pecuniary interest as defined by regulations made by the Secretary of State. Additionally, you must observe the restrictions your authority places on your involvement in matters where you have a pecuniary or non pecuniary interest as defined by your authority.

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<sup>1</sup> A 'sensitive interest' is described in the Localism Act 2011 as a member or co-opted member of an authority having an interest, and the nature of the interest being such that the member or co-opted member, and the authority's monitoring officer, consider that disclosure of the details of the interest could lead to the member or co-opted member, or a person connected with the member or co-opted member, being subject to violence or intimidation.

## Local Government Association

### Template Code of Conduct

As a member or co-opted member of *[X authority]* I have a responsibility to represent the community and work constructively with our staff and partner organisations to secure better social, economic and environmental outcomes for all.

In accordance with the Localism Act provisions, when acting in this capacity I am committed to behaving in a manner that is consistent with the following principles to achieve best value for our residents and maintain public confidence in this authority.

**SELFLESSNESS:** Holders of public office should act solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.

**INTEGRITY:** Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties.

**OBJECTIVITY:** In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

**ACCOUNTABILITY:** Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

**OPENNESS:** Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

**HONESTY:** Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

**LEADERSHIP:** Holders of public office should promote and support these principles by leadership and example.

The Act further provides for registration and disclosure of interests and in *[X authority]* this will be done as follows: *[to be completed by individual authorities]*

As a Member of *[X authority]*, my conduct will in particular address the statutory principles of the code of conduct by:

- Championing the needs of residents – the whole community and in a special way my constituents, including those who did not vote for me - and putting their interests first.
- Dealing with representations or enquiries from residents, members of our communities and visitors fairly, appropriately and impartially.
- Not allowing other pressures, including the financial interests of myself or others connected to me, to deter me from pursuing constituents' casework, the interests of the *[county][borough][Authority's area]* or the good governance of the authority in a proper manner.
- Exercising independent judgement and not compromising my position by placing myself under obligations to outside individuals or organisations who might seek to influence the way I perform my duties as a member/co-opted member of this authority.
- Listening to the interests of all parties, including relevant advice from statutory and other professional officers, taking all relevant information into consideration, remaining objective and making decisions on merit.
- Being accountable for my decisions and co-operating when scrutinised internally and externally, including by local residents.
- Contributing to making this authority's decision-making processes as open and transparent as possible to enable residents to understand the reasoning behind those decisions and to be informed when holding me and other members to account but restricting access to information when the wider public interest or the law requires it
- Behaving in accordance with all our legal obligations, alongside any requirements contained within this authority's policies, protocols and procedures, including on the use of the Authority's resources.
- Valuing my colleagues and staff and engaging with them in an appropriate manner and one that underpins the mutual respect between us that is essential to good local government.
- Always treating people with respect, including the organisations and public I engage with and those I work alongside.
- Providing leadership through behaving in accordance with these principles when championing the interests of the community with other organisations as well as within this authority.

## **Report on Executive Decisions Precluded from “Call in” on Grounds of Urgency**

The Authority’s Constitution (Part 4 - Rules of Procedure, Section 4.5 - Overview and Scrutiny Rules of Procedure, Rule 17.1) provides that its call-in procedure set out at Rule 16 shall not apply where the decision being taken by the Executive is urgent.

A decision is defined as urgent in Rule 17.1 if any delay likely to be caused by the call-in process would seriously prejudice the Council’s or the public interests.

Rule 17.4 requires the reporting to the next available meeting of the Council of decisions taken by the Executive as a matter of urgency together with the reasons for urgency.

Accordingly, decisions taken by the Executive where the above mentioned Constitutional provision has been invoked since the last ordinary meeting of the Council are set out below:

### **Cabinet 08 February 2012**

#### **Agenda Item 7.1 Thames Tideway Tunnel Update (CAB 067/112)**

#### **Summary of matters subject of decision**

The report before the Cabinet: -

- Provided Cabinet with the opportunity to respond to Thames Water’s Phase 2 consultation on the proposal to build the Thames Tideway Tunnel. The report also provides an update on issues addressed in the previous report on the proposal presented to Cabinet on 2 November 2011.

#### **Summary of Cabinet deliberations**

The order of business was varied by decision of the Mayor in Cabinet earlier in the proceedings in order to allow the Agenda item to be considered following a deputation from SaveKEMP campaign group in respect of it (which the Mayor had permitted under the constitutional provisions of Council Procedure Rule 7.2).

Mr Halsey, Corporate Director Communities Localities and Culture, at the request of the Mayor, in introducing the report, summarised the key points contained therein.

The **Mayor agreed** the recommended decisions as set out in the report.

## **Decision**

1. Agreed that the Mayor was satisfied that this matter was urgent, as defined in the Authority's Constitution (Part 4 Rules of Procedure, Section 4.5 Overview and Scrutiny Rules of Procedure, Rule 17 'Call In' and Urgency, sub paragraph 17.1, as any delay to implementation of all the decisions above would seriously prejudice the Authority's and the Public's interest; and therefore this matter should not be subject to 'Call In';
2. That it be noted that Thames Water had failed to provide sufficient information to allow a fully informed response to consultation to be provided;
3. That the Authority's concern at the impact of Thames Water's preferred scheme for a connection to the proposed tunnel in the foreshore of King Edward Memorial Park and its support for an alternative scheme that provides for the main connection in the Heckford Street Industrial Estate, with just a connection to the North East Storm Relief Sewer in King Edward Memorial Park, be confirmed;
4. That the draft version of the response to Thames Water based on Decisions 2 and 3 above, as set out in Appendix 1 to the report (CAB 067/112), be approved; and that the Corporate Director Communities Localities and Culture be authorised to determine the final content of the response and to submit this to Thames Water by the deadline for response of 10 February 2012

## **Reason for Urgency**

The Thames Water's Phase 2 consultation closed on 10 February 2012. Members, if so minded, could determine not to respond to the Phase 2 public consultation. However, officers did not recommend this course of action as the promoters of this London wide project and local residents may infer that the Council has no interest in influencing the final design solution. Disengagement for constructive dialogue could result in Thames Water imposing a solution on the borough. Therefore it was considered to be in both the Council's and the public interest to make a reasoned response to the consultation; that any delay to implementation of all the decisions above would seriously prejudice the Authority's and the Public's interest; and therefore this matter should not be subject to 'Call In'.

**LONDON BOROUGH OF TOWER HAMLETS**

**COUNCIL MEETING**

**WEDNESDAY 16<sup>th</sup> MAY 2012**

**MOTIONS SUBMITTED BY  
MEMBERS OF THE COUNCIL**

**REPORT OF THE SERVICE HEAD,  
DEMOCRATIC SERVICES**

## **SUMMARY**

1. Fifteen motions have been submitted by Members of the Council under Council Procedure Rule 13 for debate at the Council meeting on Wednesday 16<sup>th</sup> May 2012.
2. In accordance with the protocol agreed by the Council on 21<sup>st</sup> May 2008, the order in which the motions are listed is by turns, one from each group, continuing in rotation until all motions submitted are included. The rotation starts with any group(s) not reached at the previous meeting.
3. Motions must be about matters for which the Council has a responsibility or which affect the Borough. A motion may not be moved which is substantially the same as a motion which has been put at a meeting of the Council in the previous six months; or which proposes that a decision of the Council taken in the previous six months be rescinded; unless notice of the motion is given signed by at least twenty Members.
4. There is no specific duration set for this agenda item and consideration of the attached motions may continue until the time limit for the meeting is reached. The guillotine procedure at Council Procedure Rule 9.2 does not apply to motions on notice and any of the attached motions which have not been put to the vote when the time limit for the meeting is reached will be deemed to have fallen. A motion which is not put to the vote at the current meeting may be resubmitted for the next meeting but is not automatically carried forward.

## **MOTIONS**

Set out overleaf are the motions that have been submitted.

## 12.1 Licensing and anti-social behaviour on and around Brick Lane

**Proposer:** Councillor Helal Abbas

**Seconder:** Councillor Bill Turner

This Council notes:

- The complaints by many residents who live around Spitalfields that the number of late night alcohol licences on and around Brick Lane is resulting in an unacceptable level of alcohol-related crime, disorder and anti-social behaviour locally, including late night noise, urination and vomiting on doorsteps, and violence.
- The request by police that the Council, as the licensing authority, adopt a saturation policy for the Brick Lane area
- That a draft saturation policy for the Brick Lane area was taken to the Licensing Committee in September 2011, but has progressed no further, awaiting the publication of guidance on Cumulate Impact Policies by the government
- That other measures, as well as the proposed saturation policy, could benefit local residents.

This Council resolves:

- To support a Five Point Plan to tackle the problem that includes:
  - A Saturation Policy for the Brick Lane area being brought forward for the consideration of the Licensing Committee as soon as possible after publication of the awaited government guidance
  - The adoption of Challenge 25 as a mandatory condition on all TH licences to the statement of licensing policy
  - Setting up a "Brick Lane Alcohol Partnership" including the trade, police, council and voluntary or community groups to better co-ordinate action, share information and build working relationships between relevant stakeholders (to be contained within existing budgets)
  - Giving police powers to implement section 30 dispersal orders from 10pm to 5am Thursday – Saturday in the immediate vicinity of Brick Lane, allowing them limited powers to move groups on where they have reasonable grounds
  - Consideration of introducing pop-up/temporary urinals, as used in Westminster, on Friday and Saturday nights, and consulting on a bye-law to increase the fine for public urination to level 2 on the Standard Scale (£500).



## 12.2 Troubled Families

**Proposer: Councillor Zara Davis**

**Seconder: Councillor David Snowdon**

This Council Notes:

- The Coalition Government plans to deal with Troubled Families is a much welcomed step in the right direction.
- Currently the government spends £9 billion a year on Troubled Families, with only £1 billion a year going to turning Troubled Families around.
- Each Troubled Family costs £75,000 a year.
- The London Borough of Tower Hamlets has 1,120 Troubled Families, the highest of any London Borough.
- This means £84 million is spent each year on Troubled Families in the London Borough of Tower Hamlets.

This Council Believes:

- The creation of a new Troubled Families team at the Department for Communities and Local Government will help to solve this problem.

This Council Resolves:

- To support the setting up of a national network of Troubled Families 'Trouble Shooters'.
- To work with the Coalition government on this plan and to start to turn around the lives of London Borough of Tower Hamlets residents who live in Troubled Families.

### **12.3 Getting rid of postal voting on demand**

**Proposer: Councillor Fozol Miah**

**Seconder: Councillor Harun Miah**

This Council notes:

- 1) Judge Richard Mawrey, who presided over the trial of Labour Party members and supporters in Birmingham in 2005 who had used the postal voting on demand system to defraud the elections there and who described the abuse of the postal voting system on demand as worse than a banana republic, has recently stated that successive governments have done almost nothing to address the multiple flaws in the system and that the system remains wide open to fraud
- 2) the Respect Party and some principled individuals from other parties have campaigned against the postal voting on demand system since at least 2004 whilst the Labour Party in Tower Hamlets and elsewhere has defended the postal voting on demand system
- 3) recently six Tower Hamlets Labour councillors wrote to the Electoral Commission claiming irregularities in postal voting in the by-elections in Spitalfields and Banglatown and Weavers wards
- 4) complaints about postal voting abuses made by other parties, including Respect, have in the past been fobbed off by the Electoral Commission
- 5) by contrast the Electoral Commission has called in the police to investigate the allegations made by these six councillors
- 6) the prime minister, responding to a Conservative MP's attack on the postal voting on demand system, claimed the priority should not be getting rid of postal voting on demand but individual voter registration
- 7) individual voter registration will mean many poorer and less educated voters will fall off the register, thus further undermining British democracy, unless massive resources are put into individual voter registration which is very unlikely

This Council believes that:

- 1) the complaints made by the six Labour councillors are politically motivated and utterly hypocritical, given Labour's record in Tower Hamlets and elsewhere
- 2) the prime minister is also prioritising individual voter registration over getting rid of postal voting on demand for political reasons in that individual voter registration will benefit the Tory party by removing poorer and less educated voters from the register
- 3) the Electoral Commission has proved ineffective and biased in its attitude towards legitimate criticisms of the postal voting on demand system
- 4) the priority should be to get rid of the postal voting on demand system lock, stock and barrel and the integrity of British elections cannot be restored until this is done
- 5) the priority should also be to establish a proper system of proportional representation in all British elections

## 12.4 Open Spaces Strategy

**Proposer:** Councillor Carlo Gibbs

**Seconder:** Councillor Amy Whitelock

This Council notes:

o The decision of Council on 8 December 2010 that put limits on the use of Victoria Park for commercial events, whilst still recognising that some events should still be allowed

o The decision of Council on 21 December 2011 that Sir John McDougal Gardens, Millwall Park and Island Gardens should not be made available for commercial events.

This Council further notes:

o The decision of the Mayor to ignore the decision of Council o The Mayor's decision to cancel the free community event Paradise Gardens and the popular annual fireworks event in Victoria Park o That the Open Spaces Strategy is reserved to Full Council and does not currently contain a section on Commercial Events in the borough's Parks

This Council resolves:

o To amend the Open Spaces Strategy to include a section on Commercial Events in parks, to reflect the prior decisions of Council, that:

o In regards to Victoria Park

- Limits the number of large commercial music events in the park to six days each year;
- Prevents the park being used for commercial events on consecutive weekends throughout the summer, with at least two weekends free after a weekend of events;
- Sets a closing time for events to 10pm;
- Sets a reduced noise levels for commercial events.

o In regards to Sir John McDougal Gardens, Millwall Park and Island Gardens

- prevents the holding of commercial events.

o In regards to the gardens at Trinity Square:

- allow the use for weddings but prevent the holding of other commercial events.

o To exclude the Live Site events in Victoria Park in 2012 from the above.

## 12.5 History Teaching And The English Baccalaureate

**Proposer: Councillor David Snowdon**

**Seconder: Councillor Peter Golds**

This Council notes:

- Only 11.7% of Tower Hamlets school children passes GCSE History at grades A\*-C. This is the fifth lowest number in England, ahead of only Knowsley, Newham, Kingston-Upon-Hull and Manchester.
- Over three times more school children achieve A\*-C GCSE History in the top performing council in the country, Hammersmith and Fulham.
- That the new gold standard of English secondary education, the English Baccalaureate, requires school children to have A\*-C passes in Maths, English, two sciences, a modern language and history or geography. Only 5.9% of children achieved this, in part due to the low number of history GCSEs entered.
- Tower Hamlets has the ninth lowest number of children passing A-Level History in England.

This Council believes:

- That the study of history allows our school children to develop high level analytical skills, and helps them to more fully appreciate the world around them. This in turn promotes civic and community engagement.
- That in order to increase the number of Tower Hamlets school children achieving the English-Baccalaureate we need to increase the provision of History teaching in our schools. Not achieving this standard threatens to limit the educational opportunities available to our school children.

This Council resolves:

- To instruct officers to write to all head teachers of schools within the Borough to make them aware of the Council's support for a higher provision of History teaching.
- To instruct officers to contact schools to see what barriers exist to a higher level of provision of history teaching, and report back to full council within six months.
- To ask the Mayor to champion the case of history teaching in Tower Hamlets, and investigate what he can do to promote this objective

## **12.6 Missiles at the Olympics**

**Proposer: Councillor Harun Miah**

**Seconder: Councillor Fozol Miah**

This Council notes

- 1) the exceptional security measures being taken around the Olympic games
- 2) the stationing of missiles on residential blocks in East London
- 3) the deployment of RAF typhoon military aircraft at Northolt, the first time Northolt has been used for this purpose since World War 2.
- 4) the huge inconvenience the Olympic games will cause residents of Tower Hamlets
- 5) the limited access to the Olympic games that most Tower Hamlets residents will have
- 6) the limited job opportunities made available to local residents by the Olympic games
- 7) the very limited permanent gains that are being made from the Olympic games
- 8) the enormous cost of the Olympic games, which has increased because of the exceptional security measures

This Council believes

- 1) the gains from the Olympic games originally planned by the former Mayor of London Ken Livingstone have been squandered under Boris Johnson
- 2) the security measures, and in particular the stationing of missiles on residential blocks in residential areas, have created unnecessary fear in the hearts and minds of local residents
- 3) the threat from terrorist attack in London and at the Olympic games has been increased by the involvement of British armed forces in illegal, unjustified and hugely costly wars in terms of lives lost and money spent in Iraq and Afghanistan
- 4) the best way to reduce the risk of terrorist attack at the Olympic games would be to withdraw our troops from the unwinnable and futile war in Afghanistan immediately and to acknowledge that the war on Iraq was both illegal and entirely unjustified
- 5) the exceptional security measures that have been taken to station military aircraft at Northolt and missiles on residential blocks in East London are unnecessarily causing fear and alarm amongst East London residents and should be stood down
- 6) the Mayor of Tower Hamlets should do all in his power to minimise inconvenience from the Olympic games for the residents of Tower Hamlets and to boost access, job opportunities and lasting gains from the Olympic games

## 12.7 Youth Services

**Proposer: Councillor Rachael Saunders**

**Seconder: Councillor Helal Uddin**

This Council notes:

- That the executive Mayor has decided to take the Council's youth service contracts in house.
- That the reasons given for this decision included assertions that money would be saved if the council staff rather than the third sector organisations and schools managed the provider contracts.
- That no evidence has been given for this, and no firm numbers given.
- That the decision is not in line with the principles set out in the current Tower Hamlets Children and Young People's Plan.
- That the current providers add significant value to the contracts they hold through supporting services within their own HR and IT and through running additional youth services with their own resources.
- That youth services across Tower Hamlets have improved significantly since they were first contracted out, through effective partnership working.

This Council believes:

- That in tough times it is right to work with partners to seek savings and efficiencies, and wrong to undermine relationships and act unilaterally.
- That the best youth services support educational attainment and equip our young people to lead their communities. Youth services are there to support excellence not just tackle ASB.
- That resources should reflect need, with the greatest resources for areas with the greatest youth population.
- That effective hyper local partnerships have been developed between youth services, schools, health services, employers and others through locally based management of services.
- That currently our young people are able to shape and lead their own services. This must be strengthened, not weakened, in any future model.
- That the targets that the contractors currently report against should continue to be publicly reported against if the service is taken in house.

This Council resolves:

- To oppose bringing the youth service in house at this point.
- To call on the Mayor to:-
  - Work with providers to identify efficiencies in partnership; and
  - Run a full consultation with providers and young people before decisions about the future of the youth service are made.

## 12.8 Social Landlords

**Proposer: Councillor Gloria Thienel**

**Seconder: Councillor Peter Golds**

This Council Notes:

- That the Minister for Housing and Local Government has praised social landlords such as Viridian and Home Group for their plans to publish expenditure over £500.
- That the Housing Minister calls on social landlords to follow Viridian and Home Group's example and become more transparent.
- That the government is committed to a consultation with social landlords on whether to expand the scope of the Freedom of Information Act to apply to them.

This Council Believes:

- That the example shown by Viridian and Home Group is a step in the right direction and all social landlords should consider following their lead.
- That the government should extend the Freedom of Information Act to apply to social landlords and all Housing Associations; so they will publish spending over £500.

This Council Resolves:

- To support the Government in its consultation.
- To encourage and support Housing Associations/Social landlords in the London Borough of Tower Hamlets to publish all spending over £500.

## **12.9 Federation of Tenants and Residents Association:**

**Proposer: Councillor Rabina Khan**

**Seconder: Councillor Shahed Ali**

This Council notes:

- That Tower Hamlets Federation of Tenants and Residents Associations (TRAs) has produced a Residents Charter
- That the Residents Charter sets out some basic standards which residents believe that social landlords in the borough should adopt

This Council welcomes:

- The fact that TRAs are working together to give residents a voice in the important task of securing improvements in service standards of social landlords.

This Council believes:

- That all social landlords should sign up to the Residents Charter

This Council resolves:

- To endorse the Residents Charter which the Federation has produced
- To request the Mayor to ask social landlords in the borough to commit to meeting the standards set out in the Charter.



## **12.10 Queen's Diamond Jubilee**

**Proposer: Councillor David Snowdon**

**Seconder: Councillor Peter Golds**

This Council Notes:

- That the Queen is to celebrate her Diamond Jubilee this year, marking 60 years of the Queen's reign.
- The Queen came to the throne in 1952 and her coronation took place in 1953. The Queen celebrated her Silver Jubilee in 1977 and her Golden Jubilee in 2002.
- The Queen is the second longest serving Monarch of the United Kingdom, and the longest serving Monarch of the United Kingdom of Great Britain and Northern Ireland.
- Currently the Queen is the second longest serving Monarch in the world.

This Council Believes:

- The Queen's 60 years since her succession, ought to be commemorated.
- That the Monarchy under the Queen's stewardship is still an integral part of our national life today as it was 60 years ago.

This Council Resolves:

- To request the Speaker of the Council to send a congratulatory letter to the Queen, on behalf of all of the Councillors and the Council.
- To record our gratitude to the Queen for her 60 years of service and to His Royal Highness Prince Phillip, The Duke of Edinburgh, for his service to Her Majesty the Queen and the country.

## 12.11 Welfare Reform Changes

**Proposer: Councillor Oliur Rahman**

**Seconder: Councillor Rabina Khan**

This Council notes that:

- On Tuesday 24th April the BBC and other news outlets reported that Newham Council was investigating the possibility of housing homeless residents outside the borough, as after housing benefit reforms residents could not afford to live in the borough.
- In Tower Hamlets, the changes to Local Housing Allowance (LHA) means that 77% of LHA recipients will see a reduction in income.
- Despite Grant Shapp's comments that there is a National Discretionary Housing Payments Fund of £91m, Tower Hamlets has received only £490,000.
- Residents in the borough are now receiving collectively £3.2m less than before April 2011 in benefits.
- On 28th February 2012 The Mayor and Key Partners in Tower Hamlets signed a Welfare Reform Pledge, which committed the Council and key partners to limiting the impact of Central Government's reforms on Tower Hamlets' Residents.

This Council believes that:

- Grant Shapps MP's defence of Housing Benefit Reforms was disingenuous and ignored the unique circumstances faced by inner London boroughs.
- These Central Government reforms will have a disproportionate impact on Tower Hamlet's residents, as it limits the level of housing benefits to large families and in areas of high rents.
- This is a deliberate attempt by the coalition government at social engineering.
- Inner London should remain somewhere people on all incomes can live.

This Council resolves:

- To continue to work with all partners to develop solutions which will help residents to stay in the borough.
- To support the lobby for a larger Discretionary Housing Payments Fund for London Boroughs.
- To support the lobby for a living rent.
- To offer support and guidance to any families who find themselves in financial difficulties due to these changes.

## **12.12 Abuse of elderly and vulnerable patients motion**

**Proposer: Councillor Gulam Robbani**

**Seconder: Councillor Abdul Asad**

This Council notes that:

- The BBC's Panorama programme on the 23rd of April exposed shocking abuse of elderly and vulnerable patients at a London Care Home.
- This is one of a series of exposures of systematic abuse in care homes.
- Tower Hamlets provides high quality care provision for many elderly and vulnerable residents, including at the award winning Sonali Gardens.

This Council believes that:

- The care of elderly and vulnerable residents is one of the most important responsibilities of local government.
- All residents of care homes have the right to the highest quality of care, as well as the right to live in dignity and be treated with respect.

This Council resolves:

- To condemn all forms of abuse in care homes.
- To call on the Government to improve the national inspection of Care Homes.
- To improve our own systems of reporting and investigating abuse to ensure that all vulnerable people in our care receive the highest standards of care.

## 12.13 Recession

**Proposer:** Councillor Rania Khan  
**Seconder:** Councillor Shafiqul Haque

This Council notes:

1. Tory driven austerity measures are not working; spending cuts have shrunk the economy, strangled growth and driven Britain into a double dip recession. Unlike the United States, UK economic output has yet to return to the levels before the recession began four years ago.
2. This economic picture is set to worsen; national debt is expected to continue rising, from 67.3% of GDP this year, to peak at 76.3% of GDP in 2014/15, contrary to George Osborne's claims that his cuts would reduce the debt.
3. With over 96% of the government's cuts have yet to be implemented, Noble prize winning economist Paul Krugman warns that Britain faces "a death spiral of self defeating austerity" unless this government is forced to change track.
4. The human cost of government austerity is immense. The impact on women is particularly harsh. The Womens' Budget Group <<http://www.wbg.org.uk/AboutUs.htm>>, a group of independent experts who have been working with the Treasury to analyse the effect of economic policies on women, estimate that:
  - \* Lone parents and single pensioners - most of whom are women - will suffer the greatest reduction in their living standards due to public service cuts.
  - \* The cuts will lead to hundreds of thousands of women losing their job. 53% of the jobs in the public sector services that have not been protected from the cuts are held by women. The pay and conditions of all public sector workers, 65% of whom are women, are likely to deteriorate.
  - \* Cuts in welfare spending fall disproportionately on women's finances. Child benefit is paid almost 100% to women; while 53% of housing benefit claimants are single women. Both benefits have been cut significantly in real terms and eligibility has been tightened.

This Council agrees:

1. There are economic alternatives that will cut the deficit while not endangering growth and fermenting inequality and social division. The government should look across the Atlantic and follow President Obama's alternative of Keynesian-style state intervention which has reduced unemployment and brought growth back to the USA.
2. To support calls for a Plan B for the economy, outlined by over one hundred leading economists last year (Guardian Saturday 29 October 2011) which would include 'reversing cuts to protect jobs in the public sector, directing quantitative easing to a green new deal to create thousands of new jobs, increasing benefits to put money into the pockets of those on lower and middle incomes and thus increase aggregate demand. This could in part be paid for by the introduction of a financial transactions tax.'

3. To support the call for 'Robin Hood' taxes on the financial sector. A tiny tax on short-term, casino-style trading, which employs a small number of highly paid bankers in London, not the tens of thousands employed in high street financial services, would raise an estimated £20 billion. Research by the Institute for Public Policy Research (IPPR) shows that the sector can comfortably afford paying another £20 billion in tax.

4. That in light of the fact that the financial sector is responsible for the current economic crisis, and that they have received huge handouts from the public purse, the bankers have a moral responsibility to repay their debt to the British people.

5. That the priority for this council will be to follow policies that seek to protect residents, and their quality of life, from the impact recession by maintaining frontline services, protecting lower waged staff, reducing housing waiting lists and overcrowding by meeting the Mayor's affordable homes pledge, reducing energy bills via the setting up of new borough-wide energy co-op, and campaigning for a programme of public investment to create jobs and improve infrastructure.

## 12.14 Time to Change campaign

**Proposer:** Councillor Abdul Asad

**Seconder:** Councillor Ohid Ahmed

This Council notes:

1. Tower Hamlets Council has partnered with MIND and Rethink to become the first council in the country to support the current phase of their Time to Change campaign.
2. The purpose of the campaign is to promote greater awareness about mental illness and tackle the stigma surrounding it.
3. An estimated 1 in 4 people will suffer from mental health issues at some stage in their lives. As the recession worsens more people are suffering from stress, anxiety and depression as redundancies, job insecurity and pay cuts soar.
4. The negative impact of mental illness becomes all the more severe when those suffering from it also have to deal with others peoples negative reactions.

This Council agrees:

1. To endorse the Time to Change campaign to promote greater awareness about mental health, and to challenge the stigma around mental illness in the borough.
2. To combat stigma in the workplace using Time to Challenge resources. These are tailored resources for line managers <<http://www.time-to-change.org.uk/need-support/employer>> and employees <<http://www.time-to-change.org.uk/need-support/support-workplace>> , with advice on issues such as making reasonable adjustments, disclosure, and creating a mentally healthy workplace.
3. To incorporate mental health training into induction or training programmes.
4. To promote the Time to Change pledge; individuals and organisations can pledge to help end mental health prejudice, by signing up online <<http://www.time-to-change.org.uk/timetotalk/pledge>> or on our pledge postcards <<http://www.time-to-change.org.uk/shop/pledge-posters-postcards>> .
5. To review policies and procedures to ensure the council sets a standard for others in challenging discrimination and promoting wellbeing at work.
6. To encourage a culture of openness. Enabling people to speak out about their own experiences of mental health problems help to empower others to feel able to do the same.

## 12.15 Hate Crime/Islamophobia

**Proposer: Councillor Alibor Choudhury**

**Seconder: Councillor Ohid Ahmed**

This Council notes:

- The Evening Standard and other right wing blog's negative reporting and portrayal of Tower Hamlets is having detrimental effect on the reputation of our diverse and unique borough
- The newspaper's continued insinuation of an extremist network in Tower Hamlets is incorrect
- That Tower Hamlets has a good record of community cohesion underpinned by the 'No Place for Hate Campaign' and the vision of One Tower Hamlets
- That the recent reports from the Standard and other sections of the right wing media targeting Tower Hamlets and its Muslim residents borders on Islamophobia and undermines the work of 'No Place for Hate Campaign' in Tower Hamlets
- That all hate crimes are an extreme display of prejudice and discrimination of a person, group or community due to their race, gender, ethnicity, age, sexual orientation or faith
- That all hate crimes are abhorrent and must not go unchallenged.

This Council believes

- That the Evening Standard and other right wing blog's portrayal of the Tower Hamlets is misleading and not balanced
- All residents irrespective of race, gender, ethnicity, age, sexual orientation and faith have the right to live in dignity and be treated with respect without vilification by the media
- All forms of hate crimes including faith hate are abhorrent and must be opposed wherever they occur
- Islamophobia is a specific form of hate crime related to negative assumptions about people of the Muslim faith

This Council resolves:

- To condemn the Evening Standard and right wing blog's for the persistent negative reporting and portrayal of this borough and its people
- To condemn members of this council who resort to feeding right wing journalists information to damage the reputation of this borough and its people

- That we cannot allow right wing media prejudice to denigrate the Bangladeshi and Muslim community from our borough
- That all residents lose from the right wing media's negative portrayal of Tower Hamlets, especially young people applying to university and residents applying for jobs
- That these communities are an important part of Tower Hamlets and they must be supported
- To call on the government formally to recognise anti Muslim hate as Islamophobia.