



Meeting of the

# TOWER HAMLETS COUNCIL

---

Wednesday, 23<sup>rd</sup> January 2013 at 7.30 p.m.

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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:

John S Williams, Service Head, Democratic Services  
Tel: 020 7364 4204, E-mail: [johns.williams@towerhamlets.gov.uk](mailto:johns.williams@towerhamlets.gov.uk)



Chief Executive's  
Directorate

Democratic Services  
Tower Hamlets Town Hall  
Mulberry Place  
5 Clove Crescent  
London E14 2BG

Tel        **020 7364 4204**  
Fax        **020 7364 3232**

[www.towerhamlets.gov.uk](http://www.towerhamlets.gov.uk)

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

You are summoned to attend a 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** at **7.30 p.m.** on **WEDNESDAY, 23<sup>RD</sup> JANUARY 2013**

Stephen Halsey  
**Acting Head of Paid Service**

# LONDON BOROUGH OF TOWER HAMLETS

## COUNCIL

WEDNESDAY, 23<sup>RD</sup> JANUARY 2013

7.30 p.m.

|   | <b>PAGE<br/>NUMBER</b> |
|---|------------------------|
| <b>1. APOLOGIES FOR ABSENCE</b>   |                        |
| To receive any apologies for absence.   |                        |
| <b>2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS</b>   | <b>1 - 4</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 Monitoring Officer.  |                        |
| <b>3. MINUTES</b>   | <b>5 - 46</b>          |
| To confirm as a correct record of the proceedings the unrestricted minutes of the Ordinary Council Meeting held on 28 <sup>th</sup> November 2012 and the Extraordinary Council Meetings held on 11 <sup>th</sup> December 2012 and 20 <sup>th</sup> December 2012.   |                        |
| <b>4. TO RECEIVE ANNOUNCEMENTS (IF ANY) FROM THE SPEAKER OF THE COUNCIL OR THE CHIEF EXECUTIVE</b>  |                        |
| <b>5. TO RECEIVE ANY PETITIONS</b>  | <b>47 - 50</b>         |
| The Council Procedure Rules provide for up to three petitions to be presented at an Ordinary Meeting of the Council. The deadline for receipt of petitions for this Council meeting is Thursday 17 <sup>th</sup> January. However, at the time of agenda despatch the maximum number of petitions had already been received, as set out in the attached report. |                        |
| <b>6. TO RECEIVE WRITTEN QUESTIONS FROM MEMBERS OF THE PUBLIC</b>   | <b>51 - 54</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 the Council will invite the respective political group leaders to respond for up to one minute each if they wish.

## **8. TO RECEIVE WRITTEN QUESTIONS FROM MEMBERS OF THE COUNCIL 55 - 60**

The questions which have been received from Councillors to be put at this Council 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 TREASURY MANAGEMENT AND INVESTMENT STRATEGY 2012/13 - MID YEAR REPORT 61 - 76**

To note the Treasury Management and Investment Strategy mid-year report for 2012/13 as reported to the Audit Committee. The report of the Acting Chief Finance Officer is attached.

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

## **11. OTHER BUSINESS (IF ANY)**

## **12. TO CONSIDER MOTIONS SUBMITTED BY MEMBERS OF THE COUNCIL 77 - 98**

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. EXEMPT MINUTES**

To confirm as a correct record of the proceedings the exempt (restricted) minutes of the Ordinary Council Meeting held on 28<sup>th</sup> November 2012 and the Extraordinary Council Meetings held on 11<sup>th</sup> July 2012 (draft minutes deferred at the previous meeting), 11<sup>th</sup> December 2012 and 20<sup>th</sup> December 2012.

### **15. ESTABLISHMENT OF APPOINTMENTS SUB-COMMITTEE - RECRUITMENT OF CHIEF EXECUTIVE/HEAD OF PAID SERVICE**

To consider the report of the Service Head, Human Resources and Workforce Development on the above matter (exempt report to follow).

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# Agenda Item 2

## **DECLARATIONS OF INTERESTS - NOTE FROM THE MONITORING OFFICER**

This note is for guidance only. For further details please consult the Members' Code of Conduct at Part 5.1 of the Council's Constitution.

Please note that the question of whether a Member has an interest in any matter, and whether or not that interest is a Disclosable Pecuniary Interest, is for that Member to decide. Advice is available from officers as listed below but they cannot make the decision for the Member. If in doubt as to the nature of an interest it is advisable to seek advice **prior** to attending a meeting.

### **Interests and Disclosable Pecuniary Interests (DPIs)**

You have an interest in any business of the authority where that business relates to or is likely to affect any of the persons, bodies or matters listed in section 4.1 (a) of the Code of Conduct; and might reasonably be regarded as affecting the well-being or financial position of yourself, a member of your family or a person with whom you have a close association, to a greater extent than the majority of other council tax payers, ratepayers or inhabitants of the ward affected.

You must notify the Monitoring Officer in writing of any such interest, for inclusion in the Register of Members' Interests which is available for public inspection and on the Council's Website.

Once you have recorded an interest in the Register, you are not then required to declare that interest at each meeting where the business is discussed, unless the interest is a Disclosable Pecuniary Interest (DPI).

A DPI is defined in Regulations as a pecuniary interest of any of the descriptions listed at **Appendix A** overleaf. Please note that 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.

### **Effect of a Disclosable Pecuniary Interest on participation at meetings**

Where you have a DPI in any business of the Council you must, unless you have obtained a dispensation from the authority's Monitoring Officer following consideration by the Dispensations Sub-Committee of the Standards Advisory Committee:-

- not seek to improperly influence a decision about that business; and
- not exercise executive functions in relation to that business.

If you are present at a meeting where that business is discussed, you must:-

- Disclose to the meeting the existence and nature of the interest at the start of the meeting or when the interest becomes apparent, if later; and
- Leave the room (including any public viewing area) for the duration of consideration and decision on the item and not seek to influence the debate or decision

When declaring a DPI, Members should specify the nature of the interest and the agenda item to which the interest relates. This procedure is designed to assist the public's understanding of the meeting and to enable a full record to be made in the minutes of the meeting.

Where you have a DPI 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, in addition to disclosing the interest to that meeting, you must also within 28 days notify the Monitoring Officer of the interest for inclusion in the Register.

**Further advice**

For further advice please contact:-

Isabella Freeman, Assistant Chief Executive (Legal Services), 020 7364 4801; or  
John Williams, Service Head, Democratic Services, 020 7364 4204



## APPENDIX A: Definition of a Disclosable Pecuniary Interest

(Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012, Reg 2 and Schedule)

| Subject   | Prescribed description  |
|---|---|
| Employment, office, trade, profession or vacation | Any employment, office, trade, profession or vocation carried on for profit or gain.  |
| Sponsorship                                       | <p>Any payment or provision of any other financial benefit (other than from the relevant authority) made or provided within the relevant period in respect of any expenses incurred by the Member in carrying out duties as a member, or towards the election expenses of the Member.</p> <p>This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.</p>   |
| Contracts   | <p>Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the relevant authority—</p> <p>(a) under which goods or services are to be provided or works are to be executed; and</p> <p>(b) which has not been fully discharged.</p>   |
| Land  | Any beneficial interest in land which is within the area of the relevant authority.   |
| Licences  | Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.  |
| Corporate tenancies                               | <p>Any tenancy where (to the Member's knowledge)—</p> <p>(a) the landlord is the relevant authority; and</p> <p>(b) the tenant is a body in which the relevant person has a beneficial interest.</p>  |
| Securities  | <p>Any beneficial interest in securities of a body where—</p> <p>(a) that body (to the Member's knowledge) has a place of business or land in the area of the relevant authority; and</p> <p>(b) either—</p> <p>(i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or</p> <p>(ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.</p> |

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**LONDON BOROUGH OF TOWER HAMLETS**

**MINUTES OF THE COUNCIL**

**HELD AT 7.30 P.M. ON WEDNESDAY, 28 NOVEMBER 2012**

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

**Members Present:**

|                             |                               |
|-----------------------------|-------------------------------|
| Councillor Rachael Saunders | Councillor Alibor Choudhury   |
| Councillor Fozol Miah       | Councillor Bill Turner        |
| Councillor Motin Uz-Zaman   | Councillor Abdal Ullah        |
| Councillor Rofique U Ahmed  | Councillor Stephanie Eaton    |
| Councillor Abdul Asad       | Councillor David Snowdon      |
| Councillor Shafiqul Haque   | Councillor David Edgar        |
| Councillor Sirajul Islam    | Councillor M. A. Mukit MBE    |
| Councillor Denise Jones     | Councillor Lesley Pavitt      |
| Councillor Rajib Ahmed      | Councillor Zenith Rahman      |
| Councillor Ohid Ahmed       | Councillor Aminur Khan        |
| Mayor Lutfur Rahman         | Councillor Zara Davis         |
| Councillor Oliur Rahman     | Councillor Kabir Ahmed        |
| Councillor Helal Abbas      | Councillor Anwar Khan         |
| Councillor Marc Francis     | Councillor Helal Uddin        |
| Councillor Peter Golds      | Councillor Kosru Uddin        |
| Councillor Tim Archer       | Councillor Rabina Khan        |
| Councillor Shahed Ali       | Councillor Judith Gardiner    |
| Councillor Dr. Emma Jones   | Councillor Amy Whitelock      |
| Councillor Rania Khan       | Councillor Khales Uddin Ahmed |
| Councillor Shiria Khatun    | Councillor Carlo Gibbs        |
| Councillor Lutfu Begum      | Councillor Mizan Chaudhury    |
| Councillor Ahmed Adam Omer  | Councillor John Pierce        |
| Councillor Joshua Peck      | Councillor Gulam Robbani      |

The meeting commenced at 7.35 p.m.

The Speaker of the Council, Councillor Rajib Ahmed, in the Chair

**1. APOLOGIES FOR ABSENCE**

Apologies for absence were received on behalf of Councillors Craig Aston, Carli Harper-Penman, Ann Jackson, Harun Miah, Maium Miah and Gloria Thienel.

**2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS**

No declarations of Disclosable Pecuniary Interests were made.

**3. MINUTES****RESOLVED**

That the unrestricted minutes of the Ordinary Council meeting held on 19 September 2012 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 THE COUNCIL OR THE CHIEF EXECUTIVE**

No announcements were made at the meeting.

**5. TO RECEIVE ANY PETITIONS****5.1 Petition from Mr Franco Carrieri and residents of Brodick House regarding Decent Homes funding**

Mr Franco Carrieri 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 matters raised in the petition. She reported that the Mayor had visited Brodick House and had seen its poor condition and that there was particular concern over the heating system. She confirmed that Brodick House was scheduled to receive Decent Homes works including new kitchens and bathrooms, substantial repairs to the external fabric of the block and an upgraded heating system. She and the Mayor would work with residents and local Councillors to get the best from the Decent Homes funding.

**RESOLVED**

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

**5.2 Petition from Tower Hamlets Labour Party regarding 'Save our Advice Centres'**

Mr Abdul Kahar Choudhury 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 matters raised in the petition. He welcomed the constructive advice submitted by the petitioners and confirmed that no decision had been taken at that point. He stated that the process for allocating money wasn't easy and was significantly oversubscribed. The Mayor was currently reviewing the recommendations of the Programme Board and an announcement would be made soon. However, there would be no 75% cut. Councillor Choudhury expressed concern over scaremongering tactics employed by opposition Councillors particularly in relation to protests outside of the Tower Hamlets

Law Centre, which the Law Centre had confirmed were without their permission.

## **RESOLVED**

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

### **Procedural Motion**

Councillor Motin Uz-Zaman **moved**, and Councillor Shiria Khantun **seconded**, a procedural motion – “That under Procedure Rule 14.1.3 the order of business be altered to consider Member’s Question 8.11 ‘Funding for Advice Centres’ immediately”.

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

### **8.11 Question from Councillor M. A. Mukit MBE regarding funding for advice centres.**

Can the Mayor explain why his administration proposed cutting the budgets of the borough’s vital and well used advice centres by up to 75%?

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

No decision has been made. The Mayor is reviewing the recommendations of the programme board and an announcement will be made in the next few days. It hasn’t been an easy process, we’ve had a huge increase in the number of applications because unlike Newham and Lambeth and Lewisham we maintained our mainstream grants at pre-cuts levels.

We’ll be announcing in the next few days and I while I can’t go into details, I assure you there will be no 75 per cent cut. Despite this, Councillor Peck and his friends have been whipping up fear in the community while actually making it harder to make a fair decision. They called in the Cabinet decision, overlooking the fact it wasn’t the final one. In effect they wanted the Mayor not to listen to appeals from the 3<sup>rd</sup> Sector. Then Councillor Peck and his friends protested outside the Tower Hamlets Law Centre - but I have a letter from the Law Centre saying it was without their permission.

Then Councillor Peck came to Cabinet with a statement he claimed was from a Law Centre representative. The person in question is a failed Labour candidate who didn’t even turn up on the day and Councillor Peck spoke for her. Not only that, but I have *another* letter from the Law Centre stating she does not represent them.

But that’s no surprise. Cllr Peck claims to represent the people of Tower Hamlets and the Labour Party but in reality he’s leading a caucus of fantasists

and conspiracy theorists who are so obsessed by their vendetta against the Mayor that they'll scaremonger, misrepresent the facts and even tell downright porkies just so they can have a go at this administration.

### **Summary of Supplementary Question from Councillor M.A. Mukit MBE**

The Mayor took his initial decision almost two months ago, but he is still to announce his final decisions. How much longer will this take and will the decision be taken in public?

### **Summary of Councillor Alibor Choudhury's response to the Supplementary Question**

It will be soon but our job is to ensure the money goes where it is most needed and we will take the time required to get it right and make sure that this is the case.

### **5.3 Petition from Tower Hamlets Labour Party regarding Clean Streets**

Mr Doros Ullah addressed the meeting on behalf of the petitioners and responded to questions from Members.

Councillor Shahed Ali, the Cabinet Member for Environment, then responded to the matters raised in the petition. He stated that there were a number of inaccuracies in the petition. The Council had agreed to the budget cuts last year and income generation was important in covering some of the savings required by the Tory-led coalition government. Councillor Ali stated that neither officers nor independent monitors had found any increase in flytipping since the charge was introduced for special collections and the Mayor would keep this under review. Finally he pointed out that the administration had received awards for its good work and he thanked officers for their hard work.

### **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.

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

### **6.1 Question from Ms Victoria Kent regarding Ability Bow.**

Ability Bow helps people with disabilities to achieve independent living through the provision of supported exercise and healthy living activities. Now all Ability Bow's statutory funding from TH has been taken away, how does the Mayor intend to support disabled residents to maintain their fitness and wellbeing and prevent them all from repeated returns to NHS services?

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

First of all, let me congratulate you on the excellent work you do. It is a tragedy that as a result of the government's cuts to the NHS your organisation has lost out.

NHS Tower Hamlets funded Ability Bow during 2011-12 on a clearly stipulated non-recurrent basis with around £100,000. Because of the Tory-led government's cuts, further funding was not available for this year so the council stepped in.

We found £50,000 to take Ability Bow up to September this year. Very shortly we hope to be able to announce further funding to take you through to March 2013

We're doing all we can to fight the impact of government cuts on the community and will keep up that fight despite the propaganda and misrepresentation from the political opportunists across the chamber.

**Summary of Supplementary Question from Ms Victoria Kent**

We appreciate your efforts to deal with our current crisis, but what safeguards will be put in place in relation to future tendering processes?

**Summary of Councillor Alibor Choudhury's response to the Supplementary Question**

This is on our radar and is something that we can consider as the public health function moves to the Council.

**6.2 Question from Ms Shuily Akthar (put by Mr Rahman in Ms Akthar's absence) about the Mayor's view on Free Schools and Academies.**

What is the Mayor's view on free schools and can he update us on the status of Culloden School on becoming academy status?

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

The Mayor and Cabinet Members do not support the establishment of academies or free schools as we believe our state schools offer an outstanding service. However if schools do become academies we will work closely with the schools and the DfE to ensure a smooth transition and minimum disruption for pupils and staff, in this case at Culloden and Old Ford Primary Schools.

This administration's view of Free Schools and academies is that they are not the best way to provide an inclusive education that allows young people to

fully experience the social and cultural diversity of the borough. This administration believes that the way forward is increased investment in the current model.

It is clear that some Labour Councillors are supporting this defying their national party's policy. For example the minutes of the Planning Committee show that Councillor Denise Jones advocated the establishment of a free school.

Given the excellent progress made by the borough's students in the last few years – especially last year's the 8.6 per cent rise in GCSE results that's put us 2.1 per cent above the national average - it is clear that the borough's state schools are not just working but delivering excellence.

### **Summary of Supplementary Question from Mr Rahman**

The Deputy Mayor attended the consultation meetings regarding the change of status for Culloden School and met with parents to discuss their concerns. Where were the other two ward Councillors and why did they not attend?

### **Summary of Councillor Oliur Rahman's response to the Supplementary Question**

I do not know. Perhaps they were busy on other business. It will be for the electors of East India and Lansbury Ward to draw their conclusions.

[Following the above question and response Councillor Denise Jones gave a point of personal explanation. She stated that she had spoken at the Development Committee on behalf of her constituents who were seeking to establish a free school.]

### **6.3 Question from Mr Brian Nicholson about the use of the proceeds from the Henry Moore statue sale.**

How will the Mayor use the proceeds from the Henry Moore statue?

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

At September's Cabinet meeting, the Mayor indicated he wanted to spend this money on social housing, heritage and culture, young and older people's projects.

We don't know exactly how much will be raised so it is hard to be precise but there are a couple of items on tonight's agenda that might benefit - Cllr Snowdon has a question about War Memorials ahead of the Centenary of the First World War and Cllr Theinel has one about 'Cockney Day.'

While Councils like Labour-led Newcastle are having to slash arts and culture funds, this sale would let us use Henry Moore's legacy to safeguard ours in



tough times. And of course, the Mayor is committed to using some of the funds for new social housing.

### **Summary of Supplementary Question from Mr Brian Nicholson**

Can the Mayor assure us that the legacy of Henry Moore will live on to benefit local people?

### **Summary of Councillor Rania Khan's response to the Supplementary Question**

Yes I can. The proceeds from the sale will be used to benefit local people. Old Flo was meant to improve people's lives and she will do that much better if she is used to fund a Henry Moore House providing good quality social housing than if she is tucked away in a museum or in the grounds of a university.

### **Procedural Motion**

Councillor Rabina Khan **moved**, and Councillor Shahed Ali **seconded**, a procedural motion – "That under Procedure Rule 14.1.3 the order of business be altered to consider Motion 12.6 'Increasing affordable housing provision in Tower Hamlets' immediately".

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

### **Procedural Motion**

Councillor Motin Uz-Zaman **moved**, and Councillor Joshua Peck **seconded**, a procedural motion – "That under Procedure Rule 14.1.3 the order of business be altered to consider Motion 12.11 'Motion on the sale of Henry Moore Sculpture' immediately".

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

### **12.11 Motion on the sale of Henry Moore Sculpture**

Councillor Denise Jones **moved**, and Councillor Anwar Khan **seconded** the motion as printed in the agenda.

Councillor Peter Golds **moved**, Councillor David Snowdon **seconded**, an amendment to the motion, adding in three bullet points from motion 12.1 on the same subject, under 'This Council notes'. The amendment was accepted by Councillor Denise Jones and Councillor Anwar Khan.

Following debate, the motion as amended was put to the vote and was **agreed**. Accordingly it was:-

**RESOLVED****This Council believes:**

- That the sculpture Draped Seated Woman ('Old Flo') belongs to the people of Tower Hamlets and should be retained by the council and displayed in a public place in Tower Hamlets
- That the sculpture was sold at a discounted price to the London County Council by the artist Henry Moore because he believed that art is beneficial, and should be accessible, to all, including the East End's working class, not just those rich enough to be able to afford to own it
- That Moore based the sculpture on his Wartime Shelter drawings of East End resident sheltering in the Central Line at Liverpool Street and elsewhere, and this gives the sculpture even greater connection to the people of East London, where thousands of people died during the war and 172 were killed in the Bethnal Green tube disaster.
- That the council should respect the wishes of the artist that it should be displayed for public enjoyment as a symbol of peace.
- That the sculpture is part of Tower Hamlets' cultural and heritage legacy and once sold will leave a void in that legacy

**This Council notes:**

- That at a Full Council Meeting in 2010 the Council unanimously agreed a motion proposed by Cllr Archer to bring the statue back to Tower Hamlets and display it for the benefit of all local residents.
- That Mayor Rahman now plans to sell the statue, following no consultation with the people of this Borough
- That the Mayor, by selling the statue, is riding roughshod over the unanimous Overview and Scrutiny Committee decision that he must think again, and the unanimous Full Council Motion from 2010 demanding the statue be moved back to Tower Hamlets.

**This Council further believes:**

- That despite the huge funding challenges facing the Council, a £5-20million capital receipt from this sale will make little impact on a £44million deficit predicted in 2016/17.
- As a capital receipt this money cannot in the long-term be used to fund on-going service provision, or fill the gap created by Government cuts.

- That the Mayor tried to sell the sculpture when he was Leader of the Council, before the Council faced its current budget cuts, and so he cannot claim that this is his motivation.
- That the Mayor's claims that the sculpture cannot be safely returned to Tower Hamlets have been proved to be untrue, as a number of organisations – including the Museum of London at Docklands, Queen Mary University, the Friends of Christ Church Spitalfields and a local school – have all offered to house it in publicly accessible places, with other organisations including the Art Fund and Whitechapel Gallery offering their expertise in transporting and maintaining the sculpture.
- That the relocation of the sculpture in Tower Hamlets could be a boost to tourism in the borough, and bring economic benefit to local businesses.
- That the Council owns numerous pieces of public art that could be at risk of sale after the decision to sell this sculpture.
- That, whilst housing, education and health are important priorities, they should not be at the expense of the cultural wellbeing of the borough and its residents.

**The Council resolves:**

- To condemn the Mayor's proposed sale of the sculpture, to request that he halts it and secures its return to public display in Tower Hamlets, either on Council land or at one of the institutions which have offered to house it.

**6.4 Question from Mr Shamsur Rahman regarding the Holland Estate.**

We are concerned about the high service charges and the poor quality of maintenance work in the Holland estate; will the Mayor take our concern up with East End Homes?

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

Yes, the Mayor has instructed that this issue is raised with the Chief Executive of East End Homes. East End Homes has issued the following statement:

“Following the identification of ‘patterns of failure’ and higher than anticipated repairs expenditure relating to defects around the parapet and parapet gutters on several blocks on the Holland estate, East End Homes have commissioned external consultants (EDA) to work in liaison with East End Homes building surveyors and project management to carry out investigative surveys to a number of blocks on the estate, notably Brune, Bernard, Carter and Barnett Houses. The location of the defects at roof level necessarily

requires scaffold access, which unfortunately substantially increases the costs of the work.”

### **Summary of Supplementary Question from Mr Shamsur Rahman**

Will the Mayor ask the East End Homes board to review the contract?

### **Summary of Councillor Rabina Khan's response to the Supplementary Question**

Yes, we will be looking into a review of contracts and the Mayor has instructed that this and other matters relating to the works and service charges are raised with the Chief Executive of East End Homes.

### **6.5 Question from Mr Mosrur Ahmed about the Decent Homes initiative in relation to Bancroft and Rogers estates.**

Is the Decent Homes initiative still in place, if so when will the Bancroft Estate and Rogers Estate areas be worked on?

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

The Decent Homes initiative is still in place for both Bancroft Estate and Rogers Estate. You will get new kitchens and bathrooms.

This is part of an £168m investment that has already seen more than 1000 properties brought up to the Decent Homes Standard with more due by 2014. The precise dates for the work will be announced as soon as possible.

Of course, keeping homes decent is an ongoing process and as many are brought up to standard, others fall out of repair.

### **Summary of Supplementary Question from Mr Mosrur Ahmed**

What support will be available to young people of Tower Hamlets who want to gain work experience and training with the contractors to improve themselves?

### **Summary of Councillor Rabina Khan's response to the Supplementary Question**

The Decent Homes programme is being used to help young people with apprenticeships and the Council is working hard to ensure best value is obtained from these opportunities.

It is very important that we achieve value for money and undertake the works as efficiently as possible. To that end we have re-tendered the contracts – the specification for the works is the same but we are aiming to achieve better prices by packaging the works differently and also improve the economic

benefits such as employment for local people and increasing the number of apprenticeship places.

**6.6 Question from Mr Abul Bashar about the Decent Homes initiative in relation to the Bancroft estate.**

Is the Decent Homes initiative still available in Bancroft Estate?

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

Yes, as I have already told the Council, the Decent Homes initiative is still in place for Bancroft Estate and it will be delivered in partnership with residents. I visited the estate and spoke to residents and it seems that some people have been spreading misinformation on this matter.

**Summary of Supplementary Question from Mr Abul Bashar**

I have lived on the estate for 30 years and want residents to benefit from the initiative. There have been a lot of rumours and stories in the press causing confusion for residents. Can anything be done about that?

**Summary of Councillor Rabina Khan's response to the Supplementary Question**

I sympathise about the confusion that is being caused by these untrue stories and I can assure you that the Mayor will continue to do everything possible – despite the climate of cuts and austerity – to make sure that the Bancroft Estate and all other social housing across the borough is at the standard our residents deserve.

**6.7 Question from Ms Tessa Horvath regarding violence against women.**

We are pleased that the council has recently committed to recognising prostitution as a form of violence against women. We are concerned however that women in street-based prostitution continue to be punished through police arrests which is exacerbating the victimisation these women face. Will the council therefore commit to including an outcome in the new Violence Against Women and Girls Strategy to significantly reduce the number of arrests of women involved in prostitution?

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

We agree that arresting women is not the best way to help them exit sex working. That's why we've developed the Violence Against Women strategy that you mentioned and why it recognises prostitution as a form of violence against women

We're working with partners, including the 3<sup>rd</sup> Sector to set up clear alternatives to arrest. This is combined with a renewed focus on pimps and on the buyers of sex- these are the people we need to go after, not vulnerable women.

### **Summary of Supplementary Question from Ms Tessa Horvath**

I am concerned about a lack of support services, particularly outreach, to help women exit prostitution, what will be in the strategy to help on that front?

### **Summary of Councillor Ohid Ahmed's response to the Supplementary Question**

We will be working with our partners to develop an effective strategy and I look forward to talking to all interested parties including yourself in this regard.

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

The Mayor made his report to the Council meeting, extending a welcome to all present. He began by paying respects to those who had lost loved ones in the factory fire in Bangladesh.

The Mayor reported that he had joined with the Deputy Lieutenant of Greater London for Tower Hamlets, Commander John Ludgate, in the Remembrance ceremony to remember the dead of the two World Wars and other conflicts. He also reported that the Tower Hamlets Fairness Commission was starting work and that he looked forward to receiving their recommendations.

The Mayor then highlighted a number of achievements within the Borough, including work the new Bow School, an 8.6% increase in GCSE results (above the national average) and that Victoria Park had been voted the nation's favourite park.

The Mayor congratulated the Cabinet Member for Environment, Councillor Shahed Ali, on being voted Environment Lead Member of the Year by Keep Britain Tidy.

Turning to other issues the Mayor raised a number of issues of note including that:

- The Faith Based Buildings Initiative was now open to receive bids for funding from all faiths.
- The Leader of the national Labour Party's recent endorsement of the Living Wage Campaign was welcome and that the Mayor would be encouraging all local schools to adhere to the scheme.
- The Mayor would be opposing proposed cuts to Fire Services outlined by the Mayor of London.
- He welcomed the motion on the agenda to support the building of an energy cooperative to reduce charges to residents.

Finally, he highlighted the Ward review being undertaken by the Boundary Commission and urged Members to support the campaign to retain the Banglatown and Lansbury ward names. However, he noted that the Council did have the power to change ward names at a later date should it so wish.

The Leader of the Majority Group and Leaders of the Minority Groups each responded briefly to the Mayor's report. In particular thanks were offered to the Corporate Director of Resources, Chris Naylor, who was leaving to take a post at Barnet Council and condolences were offered to those affected by the recent factory fire tragedy in Bangladesh.

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

### **8.1 Question from Councillor Lesley Pavitt regarding Decent Homes work on the Bancroft estate.**

Will the Mayor explain why he secretly cancelled the Decent Homes work due to take place this year on the Bancroft estate in my ward?

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

Cllr Pavitt's party are quick to assume "secrets" and conspiracies. Well, there is no "secret" here. The Decent Homes initiative is still in place for Bancroft Estate and all residents will receive decent kitchens and bathrooms.

This is part of an £168m investment that has already seen over 1000 properties brought up to the Decent Homes Standard with many more due by 2014.

Part of the reason for the delay is to allow local contractors to bid for work and ensure that residents are employed wherever possible. The precise dates for the work will be announced as soon as possible.

#### **Summary of Supplementary Question from Councillor Lesley Pavitt**

We all understand that programmes of work can change. However, residents became concerned when information about the building works was removed from the Council website, could communications not have been better?

#### **Summary of Councillor Rabina Khan's response to the Supplementary Question**

Following the last Council meeting you e-mailed me to ask me to accompany you on a walkabout, which I did on 15<sup>th</sup> October. I asked if you had any particular issues and if you had any concerns about this matter you could have raised them with me at that time but you did not. It is not the Council but Labour Group members who are giving out misinformation.

**8.2 Question from Councillor Peter Golds regarding the sale of the Henry Moore statue.**

In affirming the decision to sell our Henry Moore statue, Mayor Rahman spoke for just 97 seconds. This was before he had even heard the Overview and Scrutiny Committee's report from Cllr Jackson, which called on him to think again. Can the Mayor tell me why he treated the Overview and Scrutiny committee report on the sale of 'Old Flo' in such a dismissive manner?

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

Cllr Golds' timing is remarkably precise for someone who wasn't at the meeting.

The Mayor did not treat the views of Overview and Scrutiny Committee in a dismissive manner. Several Cabinet Members were at the Overview and Scrutiny Committee, including myself, and we gave him a full report of the Committee's deliberations prior to Cabinet meeting. Having heard this report he was in no doubt what his decision should be and made it swiftly and decisively.

It is touching to see Cllr Golds standing up for Cllr Jackson – and yet more evidence of the close collusion between the two parties. While in the rest of the country Labour are rightly attacking the Tory-led destruction of the state and civil society, here in Tower Hamlets they are too busy in their vendetta against the Mayor to remember they're supposed to be on different sides.

**Summary of Supplementary Question from Councillor Peter Golds**

I spoke to colleagues who were present at the Cabinet meeting. I will ask again why did the Mayor dismiss the report so quickly in such an outrageous fashion?

**Summary of Councillor Rania Khan's response to the Supplementary Question**

You would be better advised to concentrate on your own motion rather than flirting with the Labour Party.

**8.3 Question from Councillor Sirajul Islam regarding the number of homes falling below 'decent' standard.**

At the last election the Mayor pledged to halve the number of homes that fall below a decent standard, yet figures from the Council have shown that last year there were over 1,700 more indecent homes than when he was first elected in 2010. Can the Mayor explain why the number of indecent homes has increased?



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

I'm sure Cllr Islam means "non-decent" an "indecent home" is something entirely different – although as the Deputy Mayor mentioned in response to a public question, we're doing all we can to crack down on brothels and sex-establishments as well.

By the end of 2014/15 there will only be 1359 non-decent homes i.e. 10% of the stock. Any apparent rise is due to the fact that homes that were once decent fall into disrepair over time and the works programme is not yet complete.

Cllr Islam should know this, I'm sure he does know this, but instead of congratulating the administration on their excellent work, he's too desperate to have a dig at the Mayor to give the true picture. Just like people age, buildings also age, Cllr Islam and need attention.

**Summary of Supplementary Question from Councillor Sirajul Islam**

You must realise that many more families are living in unacceptable conditions due to the delays. What will the Mayor do about that?

**Summary of Councillor Rabina Khan's response to the Supplementary Question**

The Mayor and myself are working tirelessly despite the difficult conditions to lobby for more funding including, for example, meeting with the Mayor of London's housing advisor earlier today.

**8.4 Question from Councillor Gulam Robbani regarding the Banglatown Ward name.**

Given that residents from Spitalfields and Banglatown are up in arms about the Tory proposal to obliterate Banglatown, the spiritual home of Bangladeshis in Britain, can the Mayor tell us what action he is taking and whether he will publicly condemn this shameful proposal, if he hasn't done this already?

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

Thank you Councillor Robbani, you have done a good job campaigning on this issue. The removal of the word "Banglatown" is a blow to community cohesion and sends a clear message to the British-Bangladeshi community that their contribution to the life of the area is being airbrushed from history.

The change will be a blow to the restaurant industry in the area which has built its branding on the name and that rebranding is an expense that small and medium-sized business cannot afford in these times of Tory-led austerity.

The removal of social justice campaigner and Labour Party Leader George Lansbury from the ward map of Tower Hamlets is similarly a blow against the East End's culture and history.

The Mayor has written on behalf of the residents of Tower Hamlets, to the LGBCE, urging them to reinstate 'Banglatown' and 'Lansbury' in their final review of historic ward names and boundaries

### **Summary of Supplementary Question from Councillor Gulam Robbani**

Will the Chamber support our motion later on the agenda to bring the name back?

### **Summary of Councillor Ohid Ahmed's response to the Supplementary Question**

I hope so. Councillor Golds and the Conservative Group should be ashamed for what they have done in trying to get the Boundary Commission to delete 'Banglatown' and 'Lansbury'.

I am surprised though that the Labour Group do not seem to have noticed the loss of Lansbury at all – that is further evidence that under Councillor Peck they have more in common with the Tea Party than the Labour Party.

[Following the above question and response Councillor Peter Golds gave a point of personal explanation]

### **Procedural motion**

Councillor Ohid Ahmed **moved**, and Councillor Alibor Choudhury **seconded**, a procedural motion:- "That in accordance with Procedure Rule 14.1.3 the order of business be varied to enable Motion 12.3 'Motion against erasing the history of Tower Hamlets' to be debated immediately". The procedural motion was put to the vote and was **defeated**.

### **8.5 Question from Councillor Amy Whitelock about recent muggings on the Regent's Canal footbridge.**

Is the Mayor aware of the recent muggings that have taken place on the Regent's Canal footbridge which connects Mile End Park and Meath Gardens, and if so, what steps is he taking to improve safety and protect residents in the area?

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

This is a police matter and they are aware of the recent offences committed along the canal footbridge.

The issue has been raised by Council officers with senior police officers. As a result the area has seen an increased focus of Police resources including targeted activity by the Robbery Squad.

The Council is in discussions with British Waterways who own and manage the canal to encourage them to urgently consider what measures can be taken to increase visibility and make it less attractive for criminals to operate on their land.

#### **Summary of Supplementary Question from Councillor Amy Whitelock**

This is not just a Police matter - I think that the Council has a greater responsibility here as it owns the bridge. Should action not be taken, particularly to improve the lighting. Residents have raised this matter but have not received an adequate response.

#### **Summary of Councillor Ohid Ahmed's response to the Supplementary Question**

As Lead Member I have initiated walkabouts in each ward. We have already announced that we will improve CCTV in your ward. I am more than happy to arrange a ward walkabout to look at any further issues and hope that you will attend.

#### **8.6 Question from Councillor Zara Davis regarding school places on the Isle of Dogs.**

What action is being taken to address the severe shortage of school places on the Isle of Dogs?

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

Action has been taken to provide more school places by expanding Arnhem Wharf School and St Luke's School. Proposals are being developed to expand Woolmore School. Further existing school sites are being investigated for potential to expand.

To date it has not been possible to identify any other Council-owned assets in the area which could be used for school purposes. The need for additional school places and sites to accommodate them has been part of the Council's longer term planning.

The Council will continue to monitor the projected child yield from emerging development proposals across the borough, including on the Isle of Dogs, and additional education provision will be sought if necessary.

**Summary of Supplementary Question from Councillor Zara Davis**

Thank you but I am also concerned about secondary school provision. In Millwall Ward only 67% of secondary school students got their first preference. What is being done to address that issue?

**Summary of Councillor Oliur Rahman's response to the Supplementary Question**

A significant number did get their first choice and it will not be possible to meet every request. Nevertheless we are doing our best to increase provision despite your government scrapping the Building Schools for the Future programme.

**8.7 Question from Councillor Abdal Ullah about fire station closures.**

At this month's London Councils Leaders Committee the Mayor had the opportunity to raise residents' concerns about the closure of Bow and Whitechapel fire stations with the Chair of the London Fire Authority. Will the Mayor explain why he sat in absolute silence and didn't speak out against these savage cuts which will put lives in danger?

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

Councillor Peck's Tea Party are trying to catch the Mayor out but while they've been running around playing student politics, the Mayor has been working on behalf of the community.

He issued a statement against these cuts on 18<sup>th</sup> October, a full week before Councillor Ullah's colleagues and he has met with the Fire Brigade Union and agreed a course of action.

The question of cuts was raised at this meeting by a Tory Council leader and he was told in no uncertain terms that it was not on the agenda.

Given these facts, I'm not sure what Cllr Ullah is complaining about.

**Summary of Supplementary Question from Councillor Abdal Ullah**

Should the Mayor not speak on these matters in the appropriate place – at the London Councils Leaders Committee – and not just on television? Would the Mayor like television cameras to accompany him to the next London Councils meeting to give him the confidence to speak?

**8.8 Question from Councillor Kabir Ahmed regarding special responsibility allowances for opposition Members.**

Can the lead member tell us what the special responsibility allowances are for opposition members and what this equates to as an hourly rate when compared to their timesheets?

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

There is some interesting reading just for 2011/12 figures alone. For example Councillor Shiria Khatun, Chair of the GP Committee was paid £1607 per hour. Councillor Abdul Mukit, Chair of Human Resources was paid £1795 per hour. And Councillor Anwar Khan, Chair of the Pensions Committee and spokesperson for finance, wait for this ladies and gentlemen, was paid a whopping £2989 per hour.

I can't comment on Councillors Bill Turner and Ann Jackson because they have not filed any timesheets since 2010.

When our hard working council staff are paid nowhere near these amounts, what message does this send to the public for attending a handful meetings during the year.

**Summary of Supplementary Question from Councillor Kabir Ahmed**

Would it not be sensible to consider combing the roles into one Chair to make a saving of £31,000?

**Summary of Councillor Alibor Choudhury's response to the Supplementary Question**

I would welcome the convening of a working group to consider your proposal as a helpful idea to reduce waste.

**8.9 Question from Councillor Joshua Peck on the renaming of the Council building on Ewart Place in memory of John Onslow.**

Can the Mayor please tell me why, despite Council's resolution of 13th April 2011, he has yet to rename the Council building on Ewart Place, in memory of GMB official John Onslow?

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

It is right and proper that John Onslow's memory should be honoured. We have agreed to do this and the Mayor has instructed the officers.

**Summary of Supplementary Question from Councillor Joshua Peck**

Why has it taken 19 months for anything to happen to action this?

**Summary of Councillor Rabina Khan's response to the Supplementary Question**

Why did you wait 19 months to ask?

**Time limit for item**

At this point the Speaker informed the meeting that the time allocated for Members' Questions had expired.

The remaining questions 8.10 and 8.12 to 8.24 were therefore not put due to lack of time. Written responses would be provided to these questions after the meeting.

[Note: the written responses subsequently provided are appended to these minutes as Appendix A]

[Note: Question 8.11 was put during Item 5 'Petitions' and can be found at that point in the minutes]

**9. REPORTS FROM THE EXECUTIVE AND THE COUNCIL'S COMMITTEES****9.1 Recruitment of an Interim Chief Executive - update**

Unrestricted item withdrawn. An exempt/restricted report was presented under Item 15.

**9.2 Treasury Management Outturn Report 2011/12**

The Council considered the report of the Corporate Director, Resources on treasury management activity for the financial year ended 31 March 2012, as required by the Local Government Act 2003.

Councillor Alibor Choudhury **MOVED** and Councillor Ohid Ahmed **SECONDED** the recommendations contained in the report.

**RESOLVED**

To note the content of the report.

### 9.3 Revised Treasury Management Strategy Statement, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2012/13

The Council considered the report of the Corporate Director, Resources in relation to the review of the three treasury management strategy documents, in line with the CLG and CIPFA Treasury Management Code of Practice.

Councillor Alibor Choudhury **MOVED** and Councillor Ohid Ahmed **SECONDED** the recommendations contained in the report.

#### **RESOLVED**

That the Council adopt:-

- a) The Treasury Management Strategy Statement, as set out in Sections 6-10 of Appendix 1 to the report of the Corporate Director, Resources;
- b) The Revised Annual Investment Strategy, as set out in Section 11 of Appendix 1 to the report; and
- c) The Minimum Revenue Provision Policy Statement, as set out in Section 12 of Appendix 1 to the report.

### 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 Calculation of Non-Domestic Rates Income

The Council considered the report of the Corporate Director, Resources on new arrangements for planning for non-domestic rates income and consequent changes to the statutory framework governing the setting of the Council's budget.

Councillor Alibor Choudhury **MOVED** and Councillor Kabir Ahmed **SECONDED** the recommendations contained in the report.

#### **RESOLVED**

1. That the duty to calculate the Council's non-domestic rates income for the coming year and to notify preceptors and the Government as set out in the draft Non Domestic Rating (Rates Retention) Regulations 2012 be delegated to the Council's statutory chief finance officer.

2. To note that if the draft regulations are not approved in the form set out in the report of the Corporate Director, Resources, a further report will be submitted to the Council.

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

### Procedural motion

Councillor Motin Uz-Zaman **moved**, and Councillor Joshua Peck **seconded**, a procedural motion – “That under Procedure Rule 14.1.3 the order of busienss be altered to consider Motion 12.2 ‘Council Finances’ now, followed by Motion 12.5 ‘Banglatwon Ward Name’ and then item 13 and the Part 2 agenda items.” The procedural motion was put to the vote and was **agreed**.

### 12.2 Motion on Council Finances

Councillor Carlo Gibbs **moved**, and Councillor Joshua Peck **seconded**, the motion as printed on the agenda.

Councillor Shahed Ali **moved**, and Councillor Alibor Choudhury **seconded**, an amendment to the motion calling on the Mayor to recover a ‘soft loan’ of £850,000 from the Rich Mix Centre. The amendment was put to the vote and was **defeated**.

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

### **RESOLVED**

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

- The devastating ideological cuts by the Conservative - Liberal Democrat Government include a reduction to the council’s grant formula funding by over 17% since 2011.
- Changes to welfare benefits including cuts to housing benefit, council tax benefit and the introduction of the universal credit amount to an unprecedented attack on the most vulnerable in our society and will lead to a greater demand on council resources.
- In a further attack on vulnerable people, the Chancellor pledged at Tory Party Conference to cut welfare benefits by a further £10bn, while at the same time giving tax breaks for millionaires by cutting the top rate of tax to 45p.
- The Conservative-Liberal Democrat Government’s austerity measures have resulted in a double dip recession, continued high unemployment and little economic growth.



**This Council also notes that the Council:**

- Has a responsibility to our residents to manage our finances efficiently and deliver a balanced budget.
- Is showing in its Medium Term Financial Plan a deficit of £9.5m in year 2014/15, £28m in 2015/16 and £44m in 2016/17.
- Will be spending on average £16m more per year than it is expecting to receive in after 2014/15.
- Is in such a desperate financial position that the cabinet is having to sell the Henry Moore statue of the draped woman, despite this being gifted to the people of Tower Hamlets, and various other council owned properties.

**This Council notes that the Mayor:**

- Is using £9.5m from reserves to cover the deficit in the 2014/15 budget, to be agreed ahead of the next local elections, and has no plans to deal with the deficit after that time.
- Has a number of big spending proposals including a fund for restoring religious buildings, the Mayor's educational award and funding to replace the cut in council tax benefit, which are not funded after the 2014 elections.
- Failed to protect the most vulnerable when he proposed to needlessly slash funding for welfare advice services, some as much as 75%, which would likely increase the financial risk faced by the council.

**Further notes the Mayor continues to waste the Council's finances, including:**

- Spending £38,000 sending a letter to update to 100,000 residents about his latest policy, despite spending £1m per year on East End Life, which is sent to every door on a weekly basis;
- Wasting £120k that was meant to promote businesses during the Olympics, including spending £40k alone on an "app", following which businesses in Brick Lane faced one of their worst summers of trading;
- Spending £32k on Council banners including £21k with the Mayors face on;
- Wasting £54,000 per year on a rented Mercedes and driver to drive the Mayor around the borough;
- Spending 119,000 on a range of Mayoral advisors and consultants.

- Wasting over £7,000 on taxis for his Cabinet members since October 2010.

**This Council believes:**

- That the use of reserves to cover deficit spending in 2014/15 is unsustainable.
- That any available resources must be used to build capacity and resilience in the community, as we anticipate further cuts.
- The Mayor is failing to show leadership in the face of the Conservative - Liberal Democrat Government's cuts by ignoring the council's difficult financial state until after the next election;
- The Mayor continues to spend significant amounts of council tax payer money on his own self-promotion and needlessly wastes money on expensive travel for himself and his cabinet, which would be better spent on services;
- The Mayor should be honest with residents about how he will deal with this deficit now, including whether this will include large tax rises or service cuts.

**This Council calls on the Mayor to:**

- Bring forward a proposal in the up-coming budget process about how the he will deal with the council's deficit from 2014-2016/17;
- Ensure that all decisions regarding service cuts include meaningful consultation with all council members, service users, unions and staff potentially affected;
- Work with community groups, RSLs, other public sector bodies and local business to ensure the most effective way of delivering council services as possible;
- Enact a total ban on the use of Council resources for self-promotion, including a ban on sending policy related letters to residents and moratorium on any further publicity with the Mayor's face on them;
- Enact a total ban of first class travel and the use of taxi's for Councillors (excluding the Speaker and Deputy Speaker) and senior staff before 10pm;
- Agree to a moratorium on new policy announcements that are not fully funded for the entire proposed length of their operation;
- Explain to the people of Tower Hamlets how he intends to fund his spending commitments after 2014/15.

- Immediately review the Council's virements procedures and in the interim agree to bring all £200k virements through full Council.

### **Procedural motion**

Councillor Joshua Peck **moved**, and Councillor Motin Uz-Zaman **seconded**, a procedural motion to extend the time limit for the meeting by up to 30 minutes, to enable motion 12.5, agenda item 13 and the part 2 agenda items to be debated. The procedural motion was put to the vote and was **agreed**.

### **12.5 Motion on Banglatown Ward Name**

Councillor Joshua Peck **moved**, and Councillor Helal Abbas **seconded**, the motion as printed on the agenda with the addition of a further bullet point under 'This Council Resolves', to read:-

"For the Council to write to the Local Government Boundary Commission for England on behalf of residents calling on them to reverse their decision to reduce the number of councillors from 51 to 45."

Following debate, the motion as so altered was put to the vote and was **agreed**. Accordingly it was:-

### **RESOLVED**

#### **This Council Notes:**

- The Local Government Boundary Commission for England (LGBCE) has recently released its draft recommendations for new ward boundaries and names in Tower Hamlets.
- That the LGBCE is recommending renaming the successor ward for the current 'Spitalfields and Banglatown' as 'Spitalfields' doing away with the 'Banglatown' name.
- That the LGBCE made its decision following the Conservative Group submission which argued that: *'the Bangladeshi community lives across the borough' and that to include 'Banglatown' in the name 'implies that the Bangladeshi community in Tower Hamlets is restricted to the Spitalfields area alone'*
- The strong local public opinion in support of the retention of the Banglatown ward name.

**This Council believes:**

- The Banglatown name was introduced to reflect the significant Bangladeshi population and the cross-cultural nature of our community.
- Removing the name would be entirely wrong, especially as local residents have not been consulted by either the Conservative Group or the LGBCE.
- The Banglatown name reflects not only the geographic location but the role of Brick Lane as the cultural heart of Britain's Bangladeshi community.
- The Mayor's proposal, adopted by the Boundary Commission, to reduce the number of councillors from 51 to 45 was a mistake and that with the fastest growing population in the country Tower Hamlets will suffer as a result of the reduction in councillors.
- Were the number of councillors still set at 51, then Spitalfields and Banglatown may have remained a three member ward and the debate over the name could have been avoided.

**This Council resolves:**

- To call on all political parties to argue in any further submissions to the LGBCE for the reinstatement of the Banglatown ward name.
- To support residents in making appeals to the LGBCE not to abolish the Banglatown ward name.
- For the Council to write to the Local Government Boundary Commission for England on behalf of residents calling on them to reverse their decision to reduce the number of councillors from 51 to 45.

Motions 12.3, 12.4, 12.6, 12.7, 12.8, 12.9, 12.10, 12.12, 12.13, 12.14, 12.15 and 12.16 were not considered due to lack of time. Motion 12.1 was partially dealt with in the form of an amendment to motion 12.11.

[Note – Motion 12.11 was taken after Item 6.3 and can be found at that point in the minutes]

**Procedural motion**

Councillor Joshua Peck **moved**, and Councillor Motin Uz-Zaman **seconded**, that the meeting adjourn prior to the part 2 section of the agenda. The procedural motion was put to the vote and was **agreed**.

Accordingly the meeting was adjourned at 10.40 p.m.

The meeting reconvened at 11.10 p.m.

### **Procedural motion**

Councillor Motin Uz-Zaman **moved**, and Councillor Joshua Peck **seconded**, a procedural motion that the meeting be adjourned for a further 30 minutes. The procedural motion was put to the vote and was **agreed**.

Accordingly the meeting was adjourned at 11.16 p.m.

The meeting reconvened at 11.45 p.m.

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

### **RESOLVED**

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.

## **14. EXEMPT MINUTES**

The exempt (restricted) minutes of the Extraordinary Council Meeting held on 11 July 2012 were not agreed. Members raised a number of points of accuracy and the draft minutes were deferred for consideration at the next meeting.

## **15. APPOINTMENT OF CHIEF EXECUTIVE (HEAD OF PAID SERVICE) - UPDATE**

The Council considered a report of the Service Head, Human Resources and Workforce Development on the above matter. The special circumstances and reasons for urgency were agreed as set out in the report.

Councillor Joshua Peck moved, and Councillor Rachel Saunders seconded, an alternative recommendation to those in the report of the Service Head, Human Resources and Workforce Development as below. This was put to the vote and was agreed.

**RESOLVED**

That the recommendations set out in the report be not agreed, and that the Council extend the existing interim Head of Paid Service appointment for a further 14 days for officers to advise on the way forward.

The meeting ended at 11.58 p.m.

Chair,  
Council

**APPENDIX A****WRITTEN RESPONSES PROVIDED AFTER THE MEETING TO MEMBERS' QUESTIONS (MINUTE 8 REFERS)****8.10 Question from Councillor Tim Archer**

London City Airport has announced plans to upgrade its terminal to increase the number of flights from 70,000 to 120,000 flights per year. What will the Mayor be doing to ensure that Tower Hamlets and Isle of Dogs residents do not suffer from increased noise pollution resulting from over flights?

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

First of all Cllr Archer, the Isle of Dogs is in Tower Hamlets.

The CAA and Newham have powers on this issue. We are making representations. We are making sure CAA are aware of all our residents who will be affected on the Isle of Dogs and demanding that they provide insulation to those residents' properties.

Perhaps the Councillor can raise the issue with his London Mayor about his plan to address this issue – what some have dubbed Boris Island.

**8.12 Question from Councillor Cllr Maium Miah**

Can the lead member tell us what has been achieved towards the Mayor's affordable housing target?

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

Figures on the supply of new affordable homes currently show that 2,763 new homes have been delivered and residents will now have keys to those properties.

A further 987 are due to complete shortly, 281 further affordable units have been granted planning permission and are already on site and further schemes are expected to start soon.

**8.13 Question from Councillor Motin Uz-Zaman**

At our last meeting Council agreed that the Mayor should issue an apology to residents and Minister Syed Ashraf Islam MP for his decision not to allow this meeting to be held in the Council Chamber, forcing him instead to hold his meeting outside. Can the Mayor read the Council the apology he has made? If he has not apologised can he explain why?

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

The Mayor has a duty to the council taxpayers to ensure resources are not used for private and party political functions.

The constitution recognises that the Speaker performs civic and ceremonial duties as a council representative and attends civic and ceremonial functions.

It is quite clear that the Speaker is supposed to be non political in exercising this function on behalf of the whole Council and the residents of this borough.

The meeting in question was a private meeting organised at the invitation of the Speaker, it was not an official delegation to the Council or organised through official channels within the Council.

The use of the Council chamber was properly refused but alternative venues which were more suitable and are also owned by the Council were offered to the Speaker so as not to embarrass this last minute request.

In addition the council's facilities staff were instructed to make every effort to ensure that appropriate facilities were provided for the event.

**8.14 Question from Councillor Dr Emma Jones**

How is the Council working with health partners in the Borough to improve dementia diagnosis rates?

**Response by Councillor Abdul Asad, Cabinet Member for Health & Wellbeing**

We are working very closely with NHS Tower Hamlets and we have a joint Commissioning Strategy for People with Dementia and their Carers in place, which can be found on our website.

The Strategy lays out the partnerships clear ambition to improve early detection and diagnosis. Both NHS Tower Hamlets and the Council have through the Strategy invested significantly in community dementia services.

A new community dementia pathway has been developed including a new Diagnostic Memory Clinic (provided by East London Foundation Trust). As part of the specification for the Diagnostic Memory Clinic, a clear function was identified for a senior nurse in the team to work with GP practices to improve referral processes and recording of diagnosis.

There has been further investment by the CCG in this function this year. As a consequence, we have seen the number of people recorded as having dementia in GP practices increase from 464 to 578 from 2010/11 to 2011/12, and the referral rate to the Diagnostic Memory Clinic increase from 190 to 335 from 2010/11 to 2011/12.



### **8.15 Question from Councillor Denise Jones**

Islington Council - who invented the Fairness Commission model that you have copied - found that two principles were key to its effective operation: the establishment of political consensus on the need for the Commission, and the inclusion of cross party councillors. Why have you not sought to do either?

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

There are four other commissions across the country and each has adopted a distinctive approach.

The number and background of commissioners has varied, for example – in Islington there were 20 commissioners including senior officers and elected members, in York there were just four commissioners all independent of the council and public services, in Newcastle there were 20 commissioners, all independent of the Council.

The Tower Hamlets Fairness Commission was agreed in Cabinet in April 2012 and endorsed by a wide range of Councillors in attendance, and the Chair of Overview and Scrutiny.

Councillor Jones for your information, using examples from elsewhere in the country is called drawing upon Best Practice, and of course you're not interested in that but would rather attack the Mayor.

All Councillors were invited to the launch and I'm surprised that Cllr Jones is complaining when she couldn't be bothered to attend the launch herself.

### **8.16 Question from Councillor Aminur Khan**

We have learned recently that the big energy companies may have been engaging in price-fixing. Can the Lead Member tell us what local residents can do to lower their energy costs?

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

Energy bills in Britain are among the highest in Europe. Rises in fuel costs are eating away at people's earnings and forcing many to make really difficult choices about whether to have a warm home or put food on the table.

That's why Tower Hamlets is the first Local Authority in the UK to set up an energy co-operative (T.H.E Community Power). This will allow us to barter with energy companies on the best deals for residents as well as helping reduce bills.

We will provide free energy efficiency advice to all householders as well as an assessment of energy grants and funding available for improving the energy efficiency of homes. In addition, T.H.E Community Power provides benefit entitlement checks, support for those who have fuel debts and ensuring

households claim “energy discounts” they are entitled to such as the Warm Homes Discount.

By contrast I know that Councillor Joshua Peck’s Labour party decided at their recent General Committee meeting to avoid supporting this measure because it was proposed by the Mayor. It is sickening that they’re willing to play politics with such an important issue when Labour Leader Ed Miliband has supported the Co-op movement as a key weapon against Tory-led cuts.

### **8.17 Question from Councillor John Pierce**

What plans does the Mayor have to introduce income limits so that people earning over a certain amount cannot join the housing list?

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

The Council is currently consulting on this. However, it is interesting to see that Councillor Pierce is standing shoulder-to-shoulder with the Tories on this issue.

If the figures in the Tory motion 12.10 are correct then only 50 households in the borough will be affected. When there are 24,000 people on our waiting list and thousands living in overcrowding we need to direct our resources accordingly.

### **8.18 Question from Councillor David Snowdon**

How many war memorials are there in Tower Hamlets? Will the Mayor please give a commitment to ensure that funding is available so that any repairs can be carried out ahead of the 100 year anniversary of the start of the Great War in 2014?

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

As a number of war memorials are located in church yards and on other private land or on or in buildings for which the Council is not and has never been responsible, a definitive number for the Borough cannot be given.

The largest memorial in Tower Hamlets is the Merchant Seaman’s Memorial at Trinity Garden, Tower Hill. The memorial itself is maintained by the Commonwealth War Graves Commission and the council maintains the surrounding gardens in partnership with the Corporation of London.

Funding is being sought to carry out minor restoration works to the Wick Memorial in Victoria Park.

If additional works are required on any memorials owned by the Council, every effort will be made to secure external funding to carry out necessary

restoration projects. The Mayor believes that this is exactly the kind of project that could be supported by the money generated by the sale of Old Flo.

### **8.19 Question from Councillor Kosru Uddin**

The Office for National Statistics recently announced that youth unemployment had reached a staggering one million, what is the Mayor and Council doing to reduce youth unemployment in Tower Hamlets now that the Olympics are over?

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

The British economy is suffering some of its most challenging impacts with the result that employment rates are low and unemployment rates are growing. The Tory-led government is plunging local people into poverty at an unprecedented rate through its policies on welfare reform, forced work experience programmes and sanctions against those on benefits.

Tower Hamlets is doing better than neighbouring areas:

- For the 12 month period to June 2012 the unemployment rate for 16 to 24 year olds in Tower Hamlets for the same period is 23.1%, compared to 33.1% in Waltham Forest and 25.7% in Newham.
- We have had huge success with 527 local people getting work with LOCOG during the Olympics and 30% of those were under 30 yrs old.
- Additionally of the 3438 local Tower Hamlets people who took up an opportunity of working for one of the 26 Games contractors around 63% were aged under 30 yrs old.

We have also secured 200 apprenticeships with Agylisis and 170 apprenticeships with Decent Homes contractors.

We are also creating an Employment & Enterprise Board with local business leaders and experts to ensure we capture the maximum opportunities for local residents.

This is in addition to the Council's ongoing programmes including:

- Pre Apprenticeships
- Apprenticeships
- Internships
- Graduate Management programmes
- Trainee schemes
- Work placement schemes
- Finance training
- Social worker training
- Teacher training

- Schools career service; and
- Skillsmatch, which has placed at least 250 young people into work.

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

Can the Lead Member tell us how many young people attended the Mayor's Education Awards, how many received awards, what the cost of the event was and how it was met?

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

The Mayor's Education Achievement Award 2012 took place on Tuesday 20th November.

The event celebrates the achievements of our children and young people and reinforces the importance of hard work, commitment, civic duty and pursuit of excellence.

241 young people secured awards for academic excellence and progress, and contributions to the community of which 235 confirmed their attendance along with family members prior to the event.

The event costs were entirely covered by private sector sponsorship and it did not cost the borough's Council Tax payers a penny.

### **8.21 Question from Councillor Anwar Khan**

What is the council's policy on offering work experience for students post 18? How many has been offered in the last 12 months?

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

At present no up-to-date figures are available, we will provide the Councillor with them as they become available.

However, the council has been supporting students undertaking work experience and internships for a number of years. Managers and departments have provided young people with the opportunity to learn and develop skills and knowledge within the organisation.

To ensure a consistent approach is taken that supports managers and individuals the Council has in place an internship, work experience and work placement policy. Individuals who undertake this opportunity need to be affiliated to a recognised body such as colleges, schools, leaving care service and Pupil referral units.

**8.22 Question from Councillor Craig Aston**

Tower Hamlets CCTV cars have been photographed parked in bays marked as only for "Doctors", and on double yellow lines. Does the Mayor believe that this sets a bad example for local residents irrespective of the legal position?

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

The bad example is set by motorists who disregard parking restrictions, obstruct traffic, abuse parking attendants who have a difficult job to do and put other road users' or pedestrians' lives at risk.

These vehicles are clearly marked and only park in such spaces when it is necessary for enforcement.

I'm sure Councillor Aston wouldn't claim that the police or ambulances set a bad example when they run red lights in an emergency. He needs to credit the people of Tower Hamlets with the intelligence to know the difference between an official vehicle engaged in important enforcement work and a member of the public breaking the law.

**8.23 Question from Councillor Shiria Khatun**

What steps has the Mayor taken to undertake a feasibility study into a mattress recycling scheme along the lines of the one operating in Labour controlled Lewisham and as proposed by Labour councillors and agreed by Council in September this year?

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

Officers are currently using existing waste disposal data to quantify the number of mattresses that are collected by the authority and to identify the additional cost involved in transporting the materials to south London. This data will comprise part of the feasibility study.

Officers are to raise the issue with colleagues from local Registered Providers at the next meeting of the Public Realm Sub Group to gauge interest from key partners and are also looking at alternative methods of recycling these bulky items.

**8.24 Question from Councillor Gloria Thienel**

In the article in the 23 July 2012 article entitled 'Cockneys campaign to protect rhyming slang from extinction' in the *Evening Standard* the Mayor stated "It's really important we keep the older traditions alive and support them, not as fossils, but as living traditions."

Can the Mayor tell me what he and the council are planning to do to keep these old East End traditions alive? In particular would he support an annual Cockney Heritage Day starting in 2013?

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

The Mayor absolutely supports such an event and feels that this is exactly the kind of project that can be funded using the money generated from the sale of Old Flo.

**LONDON BOROUGH OF TOWER HAMLETS**

**MINUTES OF THE COUNCIL**

**HELD AT 7.00 P.M. ON TUESDAY, 11 DECEMBER 2012**

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

**Members Present:**

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

The meeting commenced at 7.07 p.m.

The Speaker of the Council, Councillor Rajib Ahmed, in the Chair

**1. APOLOGIES FOR ABSENCE**

Apologies for absence were received on behalf of Councillors Zara Davis and Carli Harper-Penman; and apologies for lateness were received on behalf of Councillors Lutfu Begum, Carlo Gibbs, and Fozol Miah.

**RESOLVED**

That the apologies for absence be noted.

**2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS**

No interests were declared.

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

There were no announcements.

**4. EXCLUSION OF PRESS AND PUBLIC**

**RESOLVED**

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.

**5. APPOINTMENT OF CHIEF EXECUTIVE (HEAD OF PAID SERVICE)**

The Council considered a report of the Corporate Director, Resources which set out a number of options in relation to the above matter. Following debate, the Council resolved to agree one of the options presented.

The meeting ended at 7.41 p.m.

Chair,  
Council



**LONDON BOROUGH OF TOWER HAMLETS**

**MINUTES OF THE COUNCIL**

**HELD AT 7.00 P.M. ON THURSDAY, 20 DECEMBER 2012**

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

**Members Present:**

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

The meeting commenced at 7.07 p.m.

**The Speaker of the Council, Councillor Rajib Ahmed, in the Chair**

**1. APOLOGIES FOR ABSENCE**

**Procedural motion**

Councillor Alibor Choudhury **moved** and Councillor Rania Khan **seconded**, a procedural motion:- 'That under Procedure Rule 14.1.10 the question be now put and the Council agree recommendation 2.2 of the report of the Corporate Director, Resources'.

The Service Head, Democratic Services advised the Council that the procedural motion could not be voted on immediately but would lay on the

table to be considered at the beginning of the debate on the relevant agenda item (item 5).

### **Procedural Motion**

Councillor Motin Uz-Zaman **moved** and Councillor Shiria Khatun **seconded** a procedural motion:- 'That under Procedure Rule 14.1.12 the meeting be adjourned for a period of half an hour'. The procedural motion was put to the vote and was **agreed**.

Accordingly the meeting adjourned at 7.15 p.m.

The meeting reconvened at 7:45 p.m.

Apologies for absence were received on behalf of Councillors Carli Harper-Penman, Anwar Khan, Ahmed Omer, Joshua Peck, John Pierce, David Snowden and Abdal Ullah.

### **RESOLVED**

That the apologies for absence be noted.

## **2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS**

No interests were declared.

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

There were no announcements.

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

### **RESOLVED**

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.

## **5. APPOINTMENT OF CHIEF EXECUTIVE (HEAD OF PAID SERVICE)**

The Council considered a report of the Corporate Director, Resources which set out a number of options in relation to the above matter.

A tabled amendment was moved at the meeting which proposed a further option. Following debate the Council resolved to agree the tabled amendment.

The meeting ended at 9.24 p.m.

Speaker,  
Council

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**LONDON BOROUGH OF TOWER HAMLETS**

**COUNCIL MEETING**

**WEDNESDAY 23<sup>rd</sup> JANUARY 2013**

**PETITIONS**

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

## **SUMMARY**

1. The Council's Constitution provides for up to three petitions to be received at each Council Meeting. These are taken in order of receipt. This report sets out the valid petitions submitted for presentation at the Council meeting on Wednesday 23<sup>rd</sup> January 2013.
2. The deadline for receipt of petitions for this meeting is noon on Thursday 17<sup>th</sup> January. However, at the time of agenda despatch the maximum number of petitions has already been received as set out overleaf.
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 Please help save precious public open space in Spitalfields** (Petition from Ms Christine Whaite and Spitalfields Open Space)

The Church of England and London Borough of Tower Hamlets have given permission for the local primary school to build in the churchyard right next to Hawksmoor's famous Christ Church Spitalfields. This is in spite of some 350 letters of objection including from those with expert knowledge.

This means that public open space in the churchyard is being reduced by more than 60%: from about 4,000 sqm to around 1,500 sqm.

The disused burial ground, including the school playground, has been and still is protected and held on charitable trust by LBTH, who must manage and control the burial ground to allow the enjoyment by the public of the open space.

There is no need to build in the churchyard so close to one of the finest baroque churches in Europe. There are suitable alternatives for any development that the church and school might require. To build on this site is cultural and environmental vandalism.

Spitalfields is in the most densely populated area of London. Public green space here is already very scarce indeed.

Scientific research demonstrates that lack of green space adversely affects physical and mental health and wellbeing of children and adults alike.

Green space is vital in balancing the effect of climate change in the inner city, where temperatures average 6 degrees C higher than outside.

The churchyard is the setting for Christ Church Spitalfields, Hawksmoor's Grade 1 Listed Designated Heritage Asset (as defined by the Government's Planning Policy Statement 5) on which £10 million has recently been spent. The churchyard itself is a Heritage Asset, and a crucial part of the Significance of Christ Church Spitalfields.

Help save this precious green space NOW or lose it forever.

## **5.2 Local Government Boundary Review petitions:-**

### **(i) From Save Banglatown Campaign:**

We, the undersigned are horrified to learn about the Conservative Party proposal to abolish the historic and cultural hub of the Bangladeshi community from the new ward map of Tower Hamlets.

Generations of the Bangladeshi community have historically settled and started businesses in the Brick Lane and Banglatown area contributing significantly to the British economy, including the curry industry.

This proposal is a smack in the face for thousands of Bangladeshis and non-Bangladeshis who have struggled and sacrificed to have Banglatown recognised in the map of Tower Hamlets.

We call on the Mayor to take our concerns with the Boundary Commission and support our campaign to have Banglatown reinstated to Spitalfields & Banglatown ward.

**(ii) From Save East India & Lansbury Ward Campaign:**

We, the undersigned are horrified to learn about the Conservative Party's proposal to abolish "East India and Lansbury Ward" from the new ward map of Tower Hamlets.

We call on Lutfur Rahman, Mayor of Tower Hamlets, to take our concerns with the Boundary Commission and support our campaign to have "East India and Lansbury" reinstated.

**5.3 Rich Mix** (Petition from Mr Mohammed Nurul Hoque and others).

We, the undersigned local residents of Weavers Ward, are concerned about the whereabouts of the £850,000 'soft loan' that was given to support the Rich Mix Centre.

Despite having this valuable local facility on our doorsteps, we feel that vast majority of the centre's users are from outside of Tower Hamlets.

We call on the Mayor to investigate and update us on the efforts the Council has made to recoup this fund, especially at a time when many Tower Hamlets residents are struggling financially under the current economic climate.

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**LONDON BOROUGH OF TOWER HAMLETS**  
**COUNCIL MEETING**  
**WEDNESDAY 23<sup>rd</sup> JANUARY 2013**  
**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 23<sup>rd</sup> January 2013.
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**

Nine questions have been submitted as set out below:-

### **6.1 Question from Mr Brian Nicholson**

Can the Mayor tell us how the council is progressing with the recruitment of the CEO?

### **6.2 Question from Mr Victor William, Weavers Adventure Playground**

First of all I would like to thank the Mayor for supporting the Weavers Adventure Playground with the MSG grants.

We provide an exciting and stimulating environment for children and young people to play, learn, develop and increase their health and wellbeing. We would obviously like to continue our work given the safe, secure and multi-cultural environment that we offer.

It is precisely because of the current climate that our provision is of increasing importance. The impact to families and the community if Weavers has to reduce their opening hours will be enormous. We provide training opportunities for volunteers, many of whom have moved on to full time employment and we encourage participation from parents at all times.

Indeed, it is not simply a Playground but a vibrant community resource.

In these times of austerity, how can the council support our project to ensure that we continue to provide these services to the local community?

### **6.3 Question from Ms Kathy McTasney**

Can the Mayor explain what has been the Council's financial settlement from Central Government for this year?

### **6.4 Question from Ms Claire Harrison**

There has been lots of press coverage about the disputed ownership of the Old Flo Henry Moore sculpture and the Mayor's attempts to sell it. What steps were taken by the Council to ensure 100% that the sculpture actually belonged to Tower Hamlets?

### **6.5 Question from Mr Junel Uddin**

Housing is the single most important issue affecting residents in this borough. Figures released by the Department for Communities and Local Government show that Tower Hamlets is building the highest number of homes in the country. Is that true?

### **6.6 Question from Mr Muhammad Shafique Islam**

Can the Mayor tell us what he is doing to fight the offensive attempt by the Conservative group to erase Banglatown & Lansbury from the borough's ward map.?

### **6.7 Question from Mr Mohammed Mufti Miah**

As we begin to feel the full impact of the Government housing benefit cap, can the Mayor update in this meeting what the Council is doing to inform residents and mitigate against the adverse impact?

### **6.8 Question from Ms Lil Collins**

We are very pleased with the announcement made by the Mayor about the plans to bring back Poplar Baths into community use.

Can the Mayor outline the next steps and possible timescales to complete the restoration of the Baths?

### **6.9 Question from Mr Muhammad Haque**

Will Tower Hamlets Council support in principle the Tower Hamlets Peoples Education Life and History Archive that is a move to record and chronicle for present and future generations the lives of all the people who make up this community?

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**LONDON BOROUGH OF TOWER HAMLETS**

**COUNCIL MEETING**

**WEDNESDAY 23<sup>rd</sup> JANUARY 2013**

**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 the Executive at the Council meeting on Wednesday 23<sup>rd</sup> January 2013.
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**

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

### **8.1 Question from Councillor Denise Jones**

In December in Wapping Woods two women were stabbed in separate incidents that made residents frightened to go out. A public meeting was quickly organised by me and the police Safer Neighbourhood Team to brief residents and listen to their concerns about safety in Wapping. Can the Mayor tell the Council what steps officers have taken to improve public safety in Wapping since these stabbings took place?

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

In 2011 the Parliament approved the "Code of Recommended Practice on Local Authority Publicity". Tower Hamlets Council has chosen to ignore this code, in particular by continuing to publish East End Life at cost to the taxpayer.

The Government has announced that to ensure compliance of the Code of Recommended Practice legislation to be introduced which will empower the Secretary of State to make a direction requiring compliance with some or all of the Publicity Code's recommendations.

Will the Mayor announce when he proposes to cease publication of East End Life, which contravenes the Code?

### **8.3 Question from Councillor Khales Ahmed**

In a time of significant cuts why does the Mayor think it is right to increase his staffing and advisor budget by over 65%?

### **8.4 Question from Councillor Harun Miah**

Does the Mayor agree that this month's increase in the cost of tube and bus fares by an average of 4.2% and in some cases by as much as 7.1% is unacceptable; will present an additional challenge to the tens of thousands of Tower Hamlets families who rely on public transport to get to work, school, college, university and to see friends and family; and will he in light of this undertake to write to Mayor of London Boris Johnson expressing our view that Transport for London should end its policy of above inflation fare rises for bus and tube passengers?

### **8.5 Question from Councillor Abdal Ullah**

Earlier this month the Tory Mayor of London revealed his budget including proposals to halve the number of police stations in Tower Hamlets. What steps will the Mayor take to mitigate the impact of these cuts?

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

What action has been taken by the Council to prevent Tunnel Runs occurring in the Westferry Circus underground roundabout, since the meeting between the Council and Police on 5th December?

### **8.7 Question from Councillor Shiria Khatun**

What plans does the Mayor have to ensure that all of the borough's major roads and walkways are gritted and ice free during the cold winter months?

### **8.8 Question from Councillor Gulam Robbani**

Does the Mayor share our concerns regarding the high level of gaming machines in use in Tower Hamlets that has been in the news recently?

### **8.9 Question from Councillor Motin Uz-Zaman**

On the 19<sup>th</sup> September 2012 the Council passed a motion resolving:

- To call upon the Mayor to undertake a full independent review of the 2012 Baishakhi Mela to ensure that it met all of its contractual obligations and provided a service which best served the community.
- To call upon the Mayor to make public the findings and report of the independent review into the 2012 Baishakhi Mela and to report back to Full Council on 23<sup>rd</sup> January 2013 on the findings.

Can the Mayor explain what progress has been made on this issue?

### **8.10 Question from Councillor Tim Archer**

Will the Mayor outline what meetings he has had with London City Airport and who he has nominated to serve on the Consultative Committee to alleviate the problems faced by Isle of Dogs residents as a result of noise pollution from flights from the increased flights from London City Airport?

### **8.11 Question from Councillor Rachael Saunders**

On what basis did the Mayor agree to cut public health services?

### **8.12 Question from Councillor Stephanie Eaton**

Does the Mayor share my concern about the impact of the 2005 Gambling Act and the increase in the number of betting shops in the Borough and the potential impact that gambling may have on vulnerable residents, and, will he ensure that the LBTH Gambling Policy contains measures to:

- Prevent gambling from being a source of crime and disorder
- Protect children and other vulnerable persons from being harmed or exploited by gambling
- Protect people who may not be able to make informed or balanced decisions about gambling due to a mental impairment, alcohol or drugs

and will the Mayor include in the LBTH Gambling Policy measures to:

- Control access to gambling premises by children under the age of 18
- Require licensed premises to have a nationally registered proof of age scheme
- Require licensed premises to operate a self-barring scheme for problem gamblers
- Require licensed premises to provide Gam Care, or similar, information
- Require licensed premises to record attempts to enter by under-age people
- Require licensed premises to record incidents of attempts to enter by those who are voluntarily excluded, those subject to mandatory exclusions, children attempting to enter with complicit adults.

and will the Mayor ensure the LBTH Gambling Policy encourages licensed premises to prevent customers:

- Increasing the amount they have decided to gamble
- Enter into continuous gambling for a prolonged period
- Continue gambling when they have expressed a wish to stop
- Regamble winnings
- Chase losses

### **8.13 Question from Councillor Joshua Peck**

Is the Mayor planning to sign up to the LCC 'Safer Lorries Campaign' pledge which will help to improve the safety of residents by ensuring councils only sign new contracts with the safest haulage companies, which meet specified safety conditions?



#### **8.14 Question from Councillor Dr Emma Jones**

What is the Mayor doing to improve the lighting and remove the overgrown shrubbery in Wapping Woods?

#### **8.15 Question from Councillor Bill Turner**

How many vacancies were there in each of the last twelve months in a) the CSF directorate and b) the AHW directorate, and what percentage of these were social workers?

#### **8.16 Question from Councillor Fozol Miah**

Due to the current economical slow down many small businesses are struggling to survive. Many are finding it hard to pay their business rates. What is the mayor doing to help these business?

#### **8.17 Question from Councillor Mark Francis**

Does the Mayor intend to change the council's homelessness policy to allow officers to cease the statutory duty to homeless families and vulnerable single people through the offer of a tenancy in the private rented sector?

#### **8.18 Question from Councillor David Snowden**

What steps is the Mayor taking to fix the potholes on the roads of the Isle of Dogs?

#### **8.19 Question from Councillor Amy Whitelock**

What assessment has the Mayor / Lead Member made of the impact that the Government's 28% cut to the Early Intervention Grant will have on children's services in the borough?

#### **8.20 Question from Councillor Kabir Ahmed**

We were extremely concerned to hear about the recent stabbing incidents at Wapping. Can the lead member inform us what has been done to reassure local residents in that area?

#### **8.21 Question from Councillor Anwar Khan**

What steps has the Mayor taken to assess the economic, employment and regeneration impact of the 2012 Olympics and Paralympics on Tower Hamlets?

### **8.22 Question from Councillor Craig Aston**

In view of the interest by the Mayor in the career of George Lansbury, is the Mayor aware that when George Lansbury was inaugurated as Mayor of Poplar in both 1919 and 1937 the ceremony took place at Poplar Town Hall, Poplar High Street, which was also the venue for the meeting in which Poplar Council resolved not to levy the LCC and Metropolitan Police precepts, which resulted in the Local Authorities (Equalization) Act of 1921.

Therefore, would the Mayor explain to the public why he authorised the sale of this historic building at a low price to purchasers with close connections to him and his administration?

### **8.23 Question from Councillor John Pierce**

What targets has the Council set to reduce air pollution in Tower Hamlets in this EU year of clean air?

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

According to article 5 of the council's constitution, speaker of the council should exercise impartiality in presiding over council meetings. In his failure to allow due debate on several items in recent months, the speaker of the council has failed in this. Can the council ensure that the speaker abides by the constitution and not a party line?

### **8.25 Question from Councillor Gloria Thienel**

What advice did the Mayor receive in regards to the ownership of the Henry Moore sculpture 'The Draped Seated Woman' prior to his aborted attempt to sell it?

### **8.26 Question from Councillor Maium Miah**

We were pleased to hear the Mayor announce that a new youth centre will be built at Dame Colet House at the site of the old Haileybury youth centre. When can residents expect to see this youth centre open?

### **8.27 Question from Councillor Lutfu Begum**

Can the Mayor update this meeting on the steps this Council is taking to prevent violence against women?

# Agenda Item 9.1

|  |  |   |                   |                   |
|--|--|---|-------------------|-------------------|
| <b>COMMITTEE:</b><br><b>Audit Committee<br/>Council</b>  | <b>DATE:</b><br><b>14 January 2013<br/>23 January 2013</b> | <b>CLASSIFICATION:</b><br><b>Unrestricted</b>   | <b>REPORT NO.</b> | <b>AGENDA NO.</b> |
| <b>REPORT OF:</b><br><b>Acting Chief Finance Officer</b><br><br><b>ORIGINATING OFFICER(S):</b><br><b>Alan Finch , Head of Finance,<br/>Risk and Accountability</b><br><br><b>Oladapo Shonola, Chief Financial<br/>Strategy Officer</b> |  | <b>TITLE:</b><br><b>Mid - Year Review Report on 2012/13<br/>Treasury Management and<br/>Investment Strategy</b><br><br><b>Ward(s) affected: All</b> |                   |                   |

|                             |  |
|-----------------------------|--|
| <b>Lead Member</b>          | <b>Cllr Alibor Choudhury - Resources</b> |
| <b>Community Plan Theme</b> | <b>All</b>                               |
| <b>Strategic Priority</b>   | <b>One Tower Hamlets</b>                 |

## **1. SUMMARY**

- 1.1 This report reviews the Treasury Management and Investment Strategy that was approved by Full Council on 22 February 2012 as prescribed by the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management (Revised 2011).
- 1.2 The report reviews how the Treasury Management team has managed the Council's cash balances, investments, borrowings and treasury related risks. The report also sets out the economic environment and how this has impacted on investment returns.
- 1.3 The Council has not breached any of the Prudential and Treasury Indicators as agreed by Cabinet on 22 February 2012. During the financial year to date the Council has operated within the treasury limits and Prudential Indicators set out in the Council's Treasury Management Strategy.

## **2. DECISIONS REQUIRED**

- 2.1 Members are recommended to note the contents of this report

## **3 REASONS FOR DECISIONS**

- 3.1 The Local Government Act 2003 and the Local Authorities (Capital Financing and Accounting) Regulations 2003 requires that regular reports be submitted to Council/Committee detailing the council's treasury management activities.
- 3.2 The Council also agreed as part of the Treasury Management Strategy Statement to receive a number of reports. Furthermore, the CIPFA Treasury Management Code of Practice requires that Full Council/Committee should receive a Mid-year Report reviewing Treasury Management/Investment.

## **4 ALTERNATIVE OPTIONS**

- 4.1 The Council is bound by legislation to have regard to the CIPFA Treasury Management (TM) Code. The Code requires that the Council should receive a mid-year report reviewing treasury management and investment.

- 4.2 If the Council were to deviate from those requirements, there would need to be some good reason for doing so. It is not considered that there is any such reason, having regard to the need to ensure that Members are kept informed about treasury management activities and to ensure that these activities are in line with the investment strategy approved by the Council

## **5 BACKGROUND**

- 5.1 The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised November 2011) has been adopted by the Council.
- 5.2 One the requirements of the Code is that Full Council/Committee should receive an annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Policy - for the year ahead, a Mid-year Review Report and an Annual Outturn Report (stewardship report) covering activities during the previous year.
- 5.3 The Treasury Management Strategy, Investment Strategy and Minimum Revenue Provision reports were included in the Budget Pack that was presented to Full Council on 22 February 2012. The Outturn report went to Audit Committee on 25 September 2012 and approved by Council on 28 November 2012.
- 5.4 This mid - year report has been prepared in compliance with CIPFA's Code of Practice, and covers the following:
- An economic update for the first six months of 2012/13.
  - A review of the Treasury Management Strategy Statement and Annual Investment Strategy.
  - The Council's capital expenditure (prudential indicators).
  - A review of the Council's investment portfolio for 2012/13.
  - A review of the Council's borrowing strategy for 2012/13.
  - A review of compliance with Treasury and Prudential Limits for 2012/13.

## **6. AN ECONOMIC UPDATE FOR THE FIRST SIX MONTHS OF 2012/13**

### **6.1 GLOBAL ECONOMY**

- 6.1.1 Investor confidence remains weak in the Eurozone. The uncertainty created by the continuing Eurozone debt crisis is having a major effect on business and consumer confidence across the world. The United States Federal Reserve Bank announced a fresh stimulus programme for the economy with a third round of quantitative easing focused on boosting the economy and creating jobs. The Bank also announced that it was unlikely that there would be any interest rates increase until at least mid-2015.
- 6.1.2 Greece continues to grapple with its deficit reduction targets and may require a bailout. Although, the financial crisis in Spain has recently escalated, the announcement in early September by the European Central Bank that it would purchase unlimited amounts of shorter term bonds of Eurozone countries which have formally agreed the terms for a bailout has eased the situation. However, the underlying problem in most Eurozone economies persists.

## **6.2 UK ECONOMY**

- 6.2.1 The Bank of England substantially lowered its expectations for the speed of economic recovery and rate of growth over the coming months and materially amended its forecasts for 2012 and 2013, further confirming the lingering market scepticism about the pace of recovery. The biggest issue for the UK economy is that it is heavily reliant on worldwide economic development, especially the Eurozone, so that on-going global economic slowdown continues to impact on the UK recover.
- 6.2.2 The Bank of England Quarterly inflation Report in August pushed back the timing of the return to trend growth and also lowered its inflation expectations. Consumer confidence in the UK remains depressed with unemployment concerns, indebtedness, and a squeeze on real incomes from high inflation and low pay rises. Whilst Inflation has fallen considerably with CPI at 2.6% in July and 2.5% in August, UK GDP fell by 0.5% in the quarter to 30 June (the third quarterly fall in succession). Inflation rate is expected to fall in the next couple of years, averaging below the 2% target from Q4 2013 onwards.
- 6.2.3 The lack of economic growth has kept tax receipts depressed impacting on the Chancellor's plan to eliminate annual public sector borrowing. The Bank of England's Monetary Policy Committee has kept Bank Rate at 0.5% throughout the period whilst quantitative easing was increased by £50bn to £375bn in July 2012. In addition, in June 2012, the Bank of England and the Government announced schemes to free up banking funds for businesses and consumers.

## **6.3 COUNCILS TREASURY ADVISOR'S VIEW (SECTOR)**

- 6.3.1 Economic forecasting remains difficult with so many external influences weighing on the UK. Key areas of uncertainty include:
- the impact of the Eurozone crisis on financial markets and the banking sector;
  - the impact of the UK Government's austerity plan on confidence and growth;
  - monetary policy action failing to stimulate growth in western economies;
  - the potential for weak growth or recession in the UK's main trading partners – the EU and US;
- 6.3.2 The overall balance of risks remains weighted to the downside. Low and modest growth in the UK is expected to continue, with Bank Rate unlikely to rise in the next 24 months, coupled with a further extension of quantitative easing. This coupled with the continued downgrading of financial institutions will keep investment returns depressed.
- 6.3.3 The expected longer run trend for PWLB borrowing rates is for them to rise, primarily due to the need for a high volume of gilt issuance in the UK, and the high volume of debt issuance in other major western countries. However the current safe haven status of the UK may continue for some time, tempering any increases in yield.

6.4 Sector's interest rate forecast is detailed in the below table.

|                       | Sep-12 | Dec 12 | Mar-13 | Jun-13 | Sep-13 | Dec-13 | Mar-14 | Jun-14 | Sep-14 | Dec-14 | Mar-15 |
|-----------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| <b>Bank Rate</b>      | 0.50%  | 0.50%  | 0.50%  | 0.50%  | 0.50%  | 0.50%  | 0.50%  | 0.50%  | 0.50%  | 0.75%  | 1.00%  |
| <b>5yr PWLB rate</b>  | 1.89%  | 1.50%  | 1.50%  | 1.50%  | 1.60%  | 1.70%  | 1.80%  | 1.90%  | 2.00%  | 2.10%  | 2.30%  |
| <b>10yr PWLB rate</b> | 2.91%  | 2.50%  | 2.50%  | 2.50%  | 2.60%  | 2.70%  | 2.80%  | 2.90%  | 3.00%  | 3.20%  | 3.30%  |
| <b>25yr PWLB rate</b> | 4.15%  | 3.70%  | 3.70%  | 3.70%  | 3.80%  | 3.80%  | 3.90%  | 4.00%  | 4.10%  | 4.20%  | 4.30%  |
| <b>50yr PWLB rate</b> | 4.32%  | 3.90%  | 3.90%  | 3.90%  | 4.00%  | 4.00%  | 4.10%  | 4.20%  | 4.30%  | 4.40%  | 4.50%  |

## **7. TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY UPDATE**

7.1 The Treasury Management Strategy Statement (TMSS) for 2012/13 was approved by the Council on 22 February 2012. The Council's Annual Investment Strategy, which is incorporated in the TMSS, outlines the Council's investment priorities as follows:

- Security of capital
- Liquidity

7.2 Full Council was asked to approve a revised investment strategy at its November meeting. The revised strategy broadly maintains the same risk criteria whilst providing further flexibility that should result in higher returns on cash balances. The council will also aim to achieve the optimum return (yield) on investments commensurate with the proper levels of security and liquidity.

7.3 The Council uses Fitch ratings (or equivalent from other agencies if Fitch does not provide a rating) to derive its counterparty criteria, but will take into consideration ratings from all three main credit ratings providers when compiling its counterparty list. The Council will take an overall view on its counterparties so that an organisation could be removed from the list if the predominant view of the organisation is pessimistic. Where the overall view of the three main ratings agency is pessimistic, the Council is likely to adopt the most pessimistic of the available ratings.

7.4 The Council's minimum credit criteria is detailed in the tables below:

### **Specified Investments:**

The current strategy is that all such investments will be sterling denominated, with maturities up to maximum of 1 year, meeting the minimum 'high credit' quality criteria where applicable. The council will continue its policy of lending surplus cash to counterparties that have high credit ratings, defining 'high credit rating' as being F1+ Fitch short-term and AA- long-term credit rating.

| Institution   | Minimum High Credit Criteria  | Use      | Limit  |
|---|-------------------------------|----------|--------|
| Debt Management Office (DMO) Deposit Facility   | Not applicable                | In-house | £100m* |
| Term deposits – Other Local Authorities   | Not applicable                | In-house | £10m** |
| Term deposits – banks and building societies  | Short-term F1+, Long-term AA- | In-house | £30m   |
| Institutions with Government guarantee on ALL deposits by high credit rated (sovereign rating) countries. | Sovereign rating              | In-house | £30m   |
| UK Government Gilts   | Long Term AAA                 | In-house | £20m   |
| Institutions with UK Government support.  | Sovereign rating              | In-house | £30m   |
| Institutions that are owned/part owned by the UK Government   | Sovereign rating              | In-house | £45m   |
| <b>Collective Investment Schemes structured as Open Ended Investment Companies (OEICs)</b>                |                               |          |        |
| Money Market Funds  | AAA rated                     | In-house | £15m   |

Definitions of credit ratings (which now incorporate Fitch's viability ratings) are attached at [Appendix 2](#).

\* Although limit has been set at £100m for the DMO, in reality there is no restriction on placement with the UK government.

\*\* The group limit for local authorities has been set at £100m.

### **Non-Specified Investments:**

All investments that do not qualify as specified investment are termed non-specified investments. The credit criteria for non-specified investments are detailed in the below table.

| Institution   | Minimum High Credit Criteria  | Use      | Limit |
|---|---|----------|-------|
| Term deposits – Banks and Building Societies  | Sovereign rating AAA<br>Short-term F1+, Long-term AA-                 | In-house | £25m  |
| Structured Deposits: Fixed term deposits with variable rate and variable maturities | Sovereign rating AAA<br>Short-term rating F1+<br>Long-term rating AA- | In-house | £25m  |
| UK Government Gilts   | Long Term AAA   | In-house | £25m  |

7.5 A breakdown of the Council's investment portfolio is shown in Section 9 of this report. Investments and borrowing during the first six months of the year have been in line with the Strategy, and there have been no deviations from the Strategy.

## 8. The Council's Capital Position (Prudential Indicators)

- 8.1 Prudential Indicator for Capital Expenditure - This table shows the revised estimates for capital expenditure and the changes since the capital programme was agreed at the Budget. The programme has been revised to take account of new schemes approved in-year and new grant allocation from central government

| Capital Expenditure by Service        | 2012/13                 | 2012/13                |
|---------------------------------------|-------------------------|------------------------|
|                                       | Original Estimate<br>£m | Revised Estimate<br>£m |
| Adults, Health and Wellbeing          | 0.345                   | 0.402                  |
| Children , Schools and Families       | 29.394                  | 16.705                 |
| Building Schools for the Future       | 68.777                  | 65.244                 |
| Communities, Localities and Culture   | 6.195                   | 12.748                 |
| Development & Renewal (Excluding HRA) | 10.279                  | 21.109                 |
| Chief Executive & Resources           | 10.000                  | 0.128                  |
| HRA                                   | 60.376                  | 66.432                 |
| <b>Total</b>                          | <b>185.366</b>          | <b>192.768</b>         |

### 8.2 Changes to the Financing of the Capital Programme

The table below draws together the main strategy elements of the capital expenditure plans (above), highlighting the original supported and unsupported elements of the capital programme, and the expected financing arrangements. The borrowing element of the table increases the underlying indebtedness of the Council by way of the Capital Financing Requirement (CFR), although this will be reduced in part by revenue charges for the repayment of debt (the Minimum Revenue Provision).

| Capital Expenditure            | 2012/13<br>Original<br>Estimate<br>£m | 2012/13<br>Revised<br>Estimate<br>£m |
|--------------------------------|---------------------------------------|--------------------------------------|
| <b>Total Spend</b>             | <b>185.366</b>                        | <b>192.768</b>                       |
| Financed By:                   |                                       |                                      |
| Capital receipts               | 18.463                                | 21.354                               |
| Capital Grants                 | 126.844                               | 115.244                              |
| Capital Reserves               | 17.798                                | 23.572                               |
| Schools Contribution           | 1.900                                 | 0.000                                |
| S106 - Developers Contribution | 1.336                                 | 15.579                               |
| Revenue                        | 7.001                                 | 6.028                                |
| <b>Total Financing</b>         | <b>173.342</b>                        | <b>181.777</b>                       |
| Supported                      | 2.024                                 | 0.800                                |
| Unsupported                    | 10.000                                | 10.189                               |
| <b>Total Borrowing Need</b>    | <b>12.024</b>                         | <b>10.989</b>                        |



8.4 Changes to the Prudential Indicators for the Capital Financing Requirement, External Debt and the Operational Boundary are detailed in the below table. The Capital Financing Requirement has been amended in line with the borrowing requirement to support the 2012/13 approved capital programme.

|  | <b>2012/13<br/>Original<br/>Estimate<br/>£m</b> | <b>2012/13<br/>Revised<br/>Estimate<br/>£m</b> |
|--|---|--|
| <b>Prudential Indicator – Capital Financing Requirement</b>            |   |  |
| CFR – Non-HRA  | 168.399   | 165.917  |
| CFR – HRA  | 72.333  | 69.864   |
| Total CFR  | 240.732   | 235.781  |
| Net movement in CFR  | <b>5.082</b>                                    | <b>4.046</b>                                   |
|  |   |  |
| <b>Prudential Indicator – External Debt / the Operational Boundary</b> |   |  |
| Borrowing  | 265.732   | 265.732  |
| Other long term liabilities  |   |  |
| Total debt 31 March  | <b>265.732</b>                                  | <b>265.732</b>                                 |

## 8.5 Limits to Borrowing Activity

8.5.1 The first key control over the treasury activity is a prudential indicator to ensure that over the medium term, net borrowing (borrowings less investments) will only be for a capital purpose. Net external borrowing should not, except in the short term, exceed the total of CFR in the preceding year plus the estimates of any additional CFR for 2012/13 and next two financial years. This allows some flexibility for limited early borrowing for future years.

|                           | <b>2012/13<br/>Original<br/>Estimate<br/>£m</b> | <b>2012/13<br/>Revised<br/>Estimate<br/>£m</b> |
|---------------------------|---|--|
| Gross borrowing           | 92.437  | 90.406   |
| Less investments          | 201.136   | 205.500  |
| Net borrowing             | (108.699)                                       | (115.094)                                      |
| CFR (year - end position) | 240.732   | 235.781  |

8.5.2 The Service Head Financial Service, Risk and Accountability reports that no difficulties are envisaged for the current or future years in complying with this prudential indicator.

8.5.3 A further prudential indicator limits the overall level of borrowing. This is the Authorised Limit which represents the limit beyond which borrowing is prohibited, and can only be set and revised by Members. It reflects the level of borrowing which though not needed, could be afforded in the short term but unsustainable long term. It is the expected maximum borrowing need with some headroom for unexpected movements. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003.

|   | 2012/13<br>Original<br>Indicator | 2012/13<br>Revised<br>Indicator |
|---|----------------------------------|---------------------------------|
| <b>Authorised limit for external debt</b> |                                  |                                 |
| Borrowing                                 | 265.732                          | 265.732                         |
| Headroom                                  | 20.000                           | 20.000                          |
| Other long term liabilities*              | 0.000                            | 0.000                           |
| <b>Total</b>                              | <b>285.732</b>                   | <b>285.732</b>                  |

\* Excludes PFI schemes and finance leases etc.

8.5.4 The Council has not exceeded this Limit.

## 9. **INVESTMENT PORTFOLIO 2012/13**

- 9.1 In accordance with the Code, it is the Council's priority to ensure security of capital and liquidity, and to obtain an appropriate level of return which is consistent with the Council's risk appetite. The continuing Euro zone sovereign debt crisis and its impact on banks has kept rates low and led to a reduction in counterparties. Although rates are expected to be low in the medium term, the revised strategy aims to increase returns whilst broadly maintaining the same level of risk as before.
- 9.2 The council held £237m of investments as at 30 September 2012 (£207.6m at 31 March 2012) and the investment portfolio yield for the first six months of the year is 1.37% against a benchmark of 1.25%.
- 9.3 A summary of investments held as at 30th September 2012, compared to investments at the start of the year (1 April 2012) is shown below with a detailed list of investments attached as Appendix 2 of this report:

| <b>Investments as at 01 April 2012</b>     |                      |                                  |
|--|----------------------|----------------------------------|
|  | <b>Amount<br/>£m</b> | <b>Average<br/>Interest Rate</b> |
| <b>Total Investments</b>                   | <b>207.600</b>       | <b>1.52%</b>                     |
| <b>Investments as at 30 September 2012</b> |                      |                                  |
|  | <b>Amount</b>        | <b>Average<br/>Interest Rate</b> |
| <b>Total Investments</b>                   | <b>237.000</b>       | <b>1.37%</b>                     |

- 9.4 The average rate of return has fallen by 15 basis points to 1.37%. This is attributable to the fact that as investments matured it has not been possible to re-invest at preferential rates due to the low interest rate environment and the reducing list of counterparties.
- 9.5 As illustrated in the economic background section above, rates are very low and in line with the 0.5% Bank Rate. The average level of funds available for investment purposes in the first six months of 2012/13 was £227.73m. These funds were available on a temporary basis, and the level of funds available was mainly dependent on the timing of precept payments, receipt of grants and progress on the capital programme.

| Benchmark | Council Performance | Investment Interest Earned as at 30 Sept 2012 |
|-----------|---------------------|---|
| 1.25%     | 1.37%               | £1.71m  |

- 9.6 The Authority outperformed the benchmark by 12 basis points as illustrated in the table above. The Council's performance year to date is £1.709m. This is due to higher than budgeted cash balances resulting in the main, from an underspend in capital expenditure.

## **10. BORROWING**

- 10.1 There has been no new borrowing during the period 01 April 2012 to 30 September 2012.

## **11. DEBT RESCHEDULING**

- 11.1 No debt rescheduling was undertaken during the first six months of 2012/13

## **12. COMPLIANCE WITH TREASURY AND PRUDENTIAL LIMITS**

- 12.1 It is a statutory duty for the Council to determine and keep under review the "Affordable Borrowing Limits". Council's approved Treasury and Prudential Indicators (affordability limits) are outlined in the approved TMSS.
- 12.2 During the financial year to date the Council has operated within the treasury limits and Prudential Indicators set out in the Council's Treasury Management Strategy Statement and in compliance with the Council's Treasury Management Practices. The Prudential and Treasury Indicators are shown in Appendix 3 at the end of this report.

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

- 13.1 The comments of the Acting Chief Finance Officer have been incorporated into the report.

## **14 CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL)**

- 14.1 The Committee is asked to note the information in the report concerning the Council's treasury transactions undertaken by the Acting Chief Finance Officer under delegated powers.

## **15 ONE TOWER HAMLETS CONSIDERATIONS**

- 15.1 Interest on the Council's cash flow has historically contributed significantly towards the budget.

## **16 SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

- 16.1 There are no Sustainable Actions for A Greener Environment implications.

## **17 RISK MANAGEMENT IMPLICATIONS**

- 17.1 Any form of investment inevitably involves a degree of risk. To minimise risk the investment strategy has restricted exposure of council cash balances to UK backed banks or institutions with the highest short term rating or strong long term rating.

## **18 CRIME AND DISORDER REDUCTION IMPLICATIONS**

- 18.1 There are no crime and disorder reduction implications arising from this report.

## **19 EFFICIENCY STATEMENT**

- 19.1 Monitoring and reporting of treasury management activities ensures the Council optimises the use of its monetary resources within the constraints placed on the Council by statute, appropriate management of risk and operational requirements.

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### **LOCAL GOVERNMENT ACT 1972 (AS AMENDED) SECTION 100D**

#### **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*

## Appendix 1: Definition of Credit Ratings

### Support Ratings

| Rating |   |
|--------|---|
| 1      | A bank for which there is an extremely high probability of external support. The potential provider of support is very highly rated in its own right and has a very high propensity to support the bank in question. This probability of support indicates a minimum Long-term rating floor of 'A-'.      |
| 2      | A bank for which there is a high probability of external support. The potential provider of support is highly rated in its own right and has a high propensity to provide support to the bank in question. This probability of support indicates a minimum Long-term rating floor of 'BBB-'.              |
| 3      | A bank for which there is a moderate probability of support because of uncertainties about the ability or propensity of the potential provider of support to do so. This probability of support indicates a minimum Long-term rating floor of 'BB-'.  |
| 4      | A bank for which there is a limited probability of support because of significant uncertainties about the ability or propensity of any possible provider of support to do so. This probability of support indicates a minimum Long-term rating floor of 'B'.  |
| 5      | A bank for which external support, although possible, cannot be relied upon. This may be due to a lack of propensity to provide support or to very weak financial ability to do so. This probability of support indicates a Long-term rating floor no higher than 'B-' and in many cases no floor at all. |

### Short-term Ratings

| Rating |   |
|--------|---|
| F1     | <b>Highest credit quality.</b> Indicates the strongest capacity for timely payment of financial commitments; may have an added "+" to denote any exceptionally strong credit feature.     |
| F2     | <b>Good credit quality.</b> A satisfactory capacity for timely payment of financial commitments, but the margin of safety is not as great as in the case of the higher ratings.           |
| F3     | <b>Fair credit quality.</b> The capacity for timely payment of financial commitments is adequate; however, near-term adverse changes could result in a reduction to non-investment grade. |

## Long-term Ratings

| Rating     | Current Definition (August 2003)   |
|------------|--|
| <b>AAA</b> | <b>Highest credit quality.</b> 'AAA' ratings denote the lowest expectation of credit risk. They are assigned only in case of exceptionally strong capacity for timely payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.   |
| <b>AA</b>  | <b>Very high credit quality.</b> 'AA' ratings denote a very low expectation of credit risk. They indicate very strong capacity for timely payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.   |
| <b>A</b>   | <b>High credit quality.</b> 'A' ratings denote a low expectation of credit risk. The capacity for timely payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to changes in circumstances or in economic conditions than is the case for higher ratings.   |
| <b>BBB</b> | <b>Good credit quality.</b> 'BBB' ratings indicate that there is currently a low expectation of credit risk. The capacities for timely payment of financial commitments are considered adequate, but adverse changes in circumstances and in economic conditions are more likely to impair this capacity. This is the lowest investment-grade category |

## Individual Ratings

| Rating   |  |
|----------|--|
| <b>A</b> | A very strong bank. Characteristics may include outstanding profitability and balance sheet integrity, franchise, management, operating environment or prospects.  |
| <b>B</b> | A strong bank. There are no major concerns regarding the bank. Characteristics may include strong profitability and balance sheet integrity, franchise, management, operating environment or prospects   |
| <b>C</b> | An adequate bank, which, however, possesses one or more troublesome aspects. There may be some concerns regarding its profitability and balance sheet integrity, franchise, management, operating environment or prospects.  |
| <b>D</b> | A bank, which has weaknesses of internal and/or external origin. There are concerns regarding its profitability, substance and resilience, balance sheet integrity, franchise, management, operating environment or prospects. Banks in emerging markets are necessarily faced with a greater number of potential deficiencies of external origin. |
| <b>E</b> | A bank with very serious problems, which either requires or is likely to require external support.   |

## Appendix 2 – Investment Portfolio

| Investments as at 01 April 2012     |                    |            |              |
|-------------------------------------|--------------------|------------|--------------|
| Counterparty                        | Amount             | Maturity   | Interest     |
| Bank of Scotland                    | 5,000,000          |            | 0.75         |
| Deutsche (Money Market Fund)        | 10,000,000         |            | 0.69%        |
| SWIP (Money Market Fund)            | 10,000,000         |            | 0.61%        |
| Goldman Sachs (Money Market Fund)   | 10,000,000         |            | 0.68%        |
| IGNIS (Money Market Fund)           | 10,000,000         |            | 0.78%        |
| Insight (Money Market Fund)         | 10,000,000         |            | 0.68%        |
| DMO                                 | 2,600,000          | 02/04/2012 | 0.25%        |
| OCBC                                | 20,000,000         | 02/04/2012 | 0.35%        |
| OCBC                                | 10,000,000         | 04/04/2012 | 0.75%        |
| Bank of Scotland                    | 10,000,000         | 05/04/2012 | 2.10%        |
| RBS                                 | 10,000,000         | 11/04/2012 | 1.23%        |
| Cater Allen                         | 5,000,000          | 12/04/2012 | 2.50%        |
| Bank of Scotland                    | 5,000,000          | 27/04/2012 | 2.10%        |
| Barclays                            | 5,000,000          | 04/05/2012 | 1.55%        |
| Barclays                            | 5,000,000          | 10/05/2012 | 1.23%        |
| Cater Allen                         | 5,000,000          | 14/05/2012 | 2.50%        |
| RBS                                 | 10,000,000         | 12/06/2012 | 1.31%        |
| Cater Allen                         | 5,000,000          | 19/07/2012 | 2.50%        |
| Bank of Scotland                    | 5,000,000          | 27/07/2012 | 2.65%        |
| Bank of Scotland                    | 5,000,000          | 27/07/2012 | 2.65%        |
| Barclays                            | 5,000,000          | 10/08/2012 | 1.50%        |
| Nationwide                          | 10,000,000         | 10/08/2012 | 1.44%        |
| Nationwide                          | 5,000,000          | 07/09/2012 | 1.55%        |
| Bank of Scotland                    | 5,000,000          | 27/10/2012 | 2.00%        |
| Bank of Scotland                    | 5,000,000          | 13/02/2013 | 3.10%        |
| Bank of Scotland                    | 5,000,000          | 13/02/2013 | 3.10%        |
| RBS                                 | 10,000,000         | 03/01/2014 | 4.00%        |
| RBS                                 | 5,000,000          | 27/01/2015 | 3.35%        |
| <b>Total Investments</b>            | <b>207,600,000</b> |            | <b>1.52%</b> |
| Investments as at 30 September 2012 |                    |            |              |
| Counterparty                        | Amount             | Maturity   | Interest     |
| Deutsche (Money Market Fund)        | 15,000,000         |            | 0.45%        |
| SWIP (Money Market Fund)            | 15,000,000         |            | 0.36%        |
| Goldman Sachs (Money Market Fund)   | 15,000,000         |            | 0.45%        |
| IGNIS (Money Market Fund)           | 15,000,000         |            | 0.60%        |
| Insight (Money Market Fund)         | 15,000,000         |            | 0.47%        |
| DMO                                 | 42,000,000         | 01/10/2012 | 0.25%        |
| Bank of Scotland                    | 5,000,000          | 27/10/2012 | 2.00%        |
| OCBC                                | 30,000,000         | 18/12/2012 | 0.35%        |
| RBS                                 | 5,000,000          | 11/01/2013 | 1.50%        |
| Bank of Scotland                    | 5,000,000          | 13/02/2013 | 3.10%        |
| Bank of Scotland                    | 5,000,000          | 13/02/2013 | 3.10%        |
| RBS                                 | 10,000,000         | 11/04/2013 | 0.85%        |
| Bank of Scotland                    | 10,000,000         | 11/04/2013 | 3.00%        |
| Bank of Scotland                    | 10,000,000         | 11/04/2013 | 3.00%        |
| RBS                                 | 5,000,000          | 12/06/2013 | 1.69%        |
| Bank of Scotland                    | 10,000,000         | 07/07/2013 | 3.00%        |
| RBS                                 | 5,000,000          | 11/10/2013 | 2.00%        |
| RBS                                 | 5,000,000          | 12/12/2013 | 2.00%        |
| RBS                                 | 10,000,000         | 03/01/2014 | 4.00%        |
| RBS                                 | 5,000,000          | 27/01/2015 | 3.35%        |
| <b>Total Investments</b>            | <b>237,000,000</b> |            | <b>1.22%</b> |

## Appendix 3 – 2012-13 Prudential and Treasury Management Indicators

| Prudential indicators   | 2010/11        | 2011/12        | 2012/13          | 2013/14        | 2014/15        |
|---|----------------|----------------|------------------|----------------|----------------|
| Extract from budget and rent setting reports                            | Actual         | Actual         | Revised Estimate | Estimate       | Estimate       |
|   | £m             | £m             | £m               | £m             | £m             |
| <b>Capital Expenditure</b>  |                |                |                  |                |                |
| Non – HRA   | 111.348        | 130.717        | 126.336          | 98.855         | 47.888         |
| HRA (applies only to housing authorities)                               | 37.227         | 31.615         | 66.432           | 69.707         | 76.590         |
| <b>TOTAL</b>  | <b>148.575</b> | <b>162.332</b> | <b>192.768</b>   | <b>168.562</b> | <b>124.478</b> |
| <b>Ratio of Financing Costs To Net Revenue Stream</b>                   |                |                |                  |                |                |
| Non – HRA   | 2.25%          | 2.12%          | 2.35%            | 2.87%          | 3.41%          |
| HRA (applies only to housing authorities)                               | 18.75%         | 17.93%         | 2.29%            | 2.22%          | 2.17%          |
|   | £m             | £m             | £m               | £m             | £m             |
| <b>Net Borrowing Requirement</b>  |                |                |                  |                |                |
| brought forward 1 April   | 353.93         | 255.29         | 24.14            | 65.78          | 111.27         |
| carried forward 31 March  | 255.29         | 24.14          | 65.78            | 111.27         | 126.90         |
| In Year Borrowing Requirement   | (98.645)       | (231.150)      | 45.49            | 45.49          | 15.64          |
| <b>In Year Capital Financing Requirement</b>                            |                |                |                  |                |                |
| Non – HRA   | 1.80           | (0.986)        | 3.86             | 3.10           | 3.11           |
| HRA   | 16.90          | 12.50          | 0.19             | 7.54           | 7.53           |
| <b>TOTAL</b>  | <b>18.69</b>   | <b>11.51</b>   | <b>4.05</b>      | <b>10.64</b>   | <b>10.64</b>   |
| <b>Capital Financing Requirement as at 31 March</b>                     |                |                |                  |                |                |
| Non - HRA   | 163.05         | 162.06         | 165.92           | 171.49         | 174.60         |
| HRA   | 293.38         | 305.88         | 69.86            | 79.87          | 87.40          |
| HRA Settlement  | 0.00           | (236.200)      | 0.00             | 0.00           | 0.00           |
| <b>TOTAL</b>  | <b>456.421</b> | <b>231.735</b> | <b>235.781</b>   | <b>251.367</b> | <b>262.004</b> |
| <b>Incremental Impact of Financing Costs</b>                            |                |                |                  |                |                |
| Increase in Council Tax (band D) per annum                              | 5.31           | 3.58           | 2.94             | 0.98           | 0.95           |
| Increase in average housing rent per week<br>(housing authorities only) | 2.07           | 1.78           | 0.27             | 0.27           | 0.27           |



| Treasury Management Indicators  | 2010/11        | 2011/12        | 2012/13          | 2013/14        | 2014/15        |
|---|----------------|----------------|------------------|----------------|----------------|
|   | Actual         | Actual         | Revised Estimate | Estimate       | Estimate       |
|   | £m             | £m             | £m               | £m             | £m             |
| <b>Authorised Limit For External Debt -</b>   |                |                |                  |                |                |
| Borrowing   | 481.421        | 476.079        | 265.732          | 276.367        | 287.004        |
| Headroom  | 20.000         | 20.000         | 20.000           | 20.000         | 20.000         |
| Other long term liabilities   | 0.000          | 0.000          | 0.000            | 0.000          | 0.000          |
| <b>TOTAL</b>  | <b>501.421</b> | <b>496.079</b> | <b>285.732</b>   | <b>296.367</b> | <b>307.004</b> |
| <b>Operational Boundary For External Debt -</b>   |                |                |                  |                |                |
| Borrowing   | 481.421        | 476.079        | 265.732          | 276.367        | 287.004        |
| Other long term liabilities   | 0.000          | 0.000          | 0.000            | 0.000          | 0.000          |
| <b>TOTAL</b>  | <b>481.421</b> | <b>476.079</b> | <b>265.732</b>   | <b>276.367</b> | <b>287.004</b> |
| <b>Actual External Debt</b>   | <b>353.475</b> | <b>91.351</b>  | <b>90.406</b>    | <b>89.561</b>  | <b>88.890</b>  |
| <b>HRA Debt Limit*</b>  | <b>0.000</b>   | <b>0.000</b>   | <b>184.381</b>   | <b>184.381</b> | <b>184.381</b> |
| <b>Upper Limit For Fixed Interest Rate Exposure</b>   |                |                |                  |                |                |
| Net principal re fixed rate borrowing / investments   | <b>100%</b>    | <b>100%</b>    | <b>100%</b>      | <b>100%</b>    | <b>100%</b>    |
| <b>Upper Limit For Variable Rate Exposure</b>   |                |                |                  |                |                |
| Net interest payable on variable rate borrowing / inves                                       | <b>20%</b>     | <b>20%</b>     | <b>20%</b>       | <b>20%</b>     | <b>20%</b>     |
| <b>Upper limit for total principal sums invested for over 364 days</b><br>(per maturity date) | <b>£25m</b>    | <b>£25m</b>    | <b>£25m</b>      | <b>£25m</b>    | <b>£25m</b>    |

| Maturity structure of new fixed rate borrowing during 2012/13 | Upper Limit | Lower Limit |
|---|-------------|-------------|
| under 12 months   | 10%         | 0%          |
| 12 months and within 24 months                                | 30%         | 0%          |
| 24 months and within 5 years                                  | 40%         | 0%          |
| 5 years and within 10 years                                   | 80%         | 0%          |
| 10 years and above  | 100%        | 0%          |

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**LONDON BOROUGH OF TOWER HAMLETS**

**COUNCIL MEETING**

**WEDNESDAY 23<sup>rd</sup> JANUARY 2013**

**MOTIONS SUBMITTED BY  
MEMBERS OF THE COUNCIL**

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

## **SUMMARY**

1. Eighteen motions have been submitted by Members of the Council under Council Procedure Rule 13 for debate at the Council meeting on Wednesday 23<sup>rd</sup> January 2013.
2. The motions submitted are listed overleaf. In accordance with the protocol agreed by the Council on 21<sup>st</sup> May 2008, the motions are listed by turns, one from each group, continuing in rotation until all motions submitted are included. The rotation starts with any group(s) whose motion(s) were 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 Motion regarding Tower Hamlets Cultural Heritage**

**Proposer: Councillor Peter Golds**

**Seconder: Councillor Tim Archer**

### **This Council Notes:**

- That in 1962 Henry Moore sold to the former London County Council his bronze work of art, The Draped Seated Woman, which was presented to the people of Stepney and located in the Stifford Estate and became popularly known to residents as 'Old Flo.'
- That the sculpture passed to the former Greater London Council on April 1<sup>st</sup> 1965 and upon the abolition of the Greater London Council in 1986, it passed to the London Residuary Body.
- That following the winding up of the London Residuary Body, assets were distributed for care amongst the 32 London Boroughs and the Drape Seated Woman was passed into the care of the London Borough of Bromley.
- That in 1997 'Old Flo' was moved by Tower Hamlets Council to the Yorkshire Sculpture Park.
- That in 2010 Councillor Tim Archer undertook a survey amongst residents as to the future of the sculpture with the alternatives of selling the sculpture or bringing it back to Tower Hamlets. As a result of this survey, a Council Meeting in 2010 the Council unanimously agreed a motion proposed by Cllr Archer to return the sculpture to Tower Hamlets and display it for the benefit of all local residents.
- That Mayor Rahman attempted to sell the statue without consulting the people of the Borough.
- That the sculpture, following the winding up of the London Residuary Body, is in the care of the London Borough of Bromley
- That the London Borough of Bromley wish the sculpture be returned to London and located in the Docklands Museum so it is available for all Londoners to experience.

### **This Council Further Notes:**

- The poor advice the Mayor and Cabinet received in their decision to sell the sculpture.

### **This Council Resolves:**

- To call on the Mayor to confirm to Christies that the sculpture is not available for sale.
- To call on the Mayor to undertake an independent investigation as to the legal and ownership advice provided to the administration. That this investigation should examine all internal and external advice submitted to the administration.

## **12.2 Motion regarding Fare Cuts**

**Proposer: Councillor Harun Miah**

**Seconder: Councillor Fozol Miah**

This Council condemns this month's increase in the cost of tube and bus fares by an average of 4.2% and in some cases by as much as 7.1%

This Council notes that this means fares are rising above inflation again at a time when squeezes on wages and household budgets are being experienced by tens of thousands of Tower Hamlets families; and recognises that this increase contradicts Mayor of London Boris Johnson's election promise to 'hold down fares'. This council believes that when central government is embarking on its draconian austerity programme targeting the financial security of the most vulnerable, it is the role of local government such as the Greater London Authority to lessen, not add to, the burden on the shoulders of ordinary citizens.

This Council believes that Tower Hamlets is best served by policies that make public transport accessible and affordable, and that this is crucial for the social and economic prosperity of our Borough and the well being of its residents.

This Council resolves

- To call on Transport for London to end its policy of above inflation fare rises for bus and tube passengers; and
- To ask the Mayor to write to Boris Johnson setting out these concerns and the impact of current fares policy on those who live and work in Tower Hamlets.

## **12.3 Motion regarding Fire and Police Stations Closures**

**Proposer: Councillor Abdal Ullah**

**Seconder: Councillor Denise Jones**

### **This Council notes:**

- That the first duty of politicians is to protect residents.
- That crime has been increasing in Tower Hamlets and across London.
- In 2009/10 there were 26,989 crimes reported in Tower Hamlets, in 2010/11 there were 28,670 and in 2011/12 there were 29,485. This represents over a 9% increase.
- Last year Tower Hamlets had by far the greatest number of fires in London (1,523) as well as the 5th highest call outs for specialist fire services (1,821) and the 3rd highest for false alarms (2,586).
- In total in 2011/12 there were 5,930 call outs attended by Tower Hamlets Fire Brigade.

### **This Council Further Notes:**

- Boris Johnson has proposed £65m cuts to the London Fire Brigade and over £300m cuts to the London Police Service budget.

#### **Fire Brigade**

- The October LFEPA paper, Redesigning Emergency Cover for London – update paper proposed options which put Whitechapel, Bow, Bethnal Green and Poplar fire stations at risk of closure.
- The cuts for Tower Hamlets Fire Brigade come on top of additional cuts to neighbouring boroughs with Silvertown in Newham (1 pump) and Kingsland in Hackney (2 pumps) both earmarked for closure. This will have a significant impact on Tower Hamlets' ability to deal with major incidents.
- Last year the target set by Tower Hamlets Fire Brigade for fires in the home was 227 however the actual number of these fires was 308, this is over 35% higher.

#### **Police Service**

- Tower Hamlets lost 58 PCSOs (45%) and 103 Police Officers (13%) between March 2010 and April 2012.
- The London Mayor, Boris Johnson has proposed closing three of the borough's police stations, Bow, Poplar and Isle of Dogs, as well as reducing the service at the Limehouse police station.

- The positive impact of the Safer Neighbourhood Teams introduced by the Labour Government and Labour Council in Tower Hamlets. That the SNTs helped to not only reduce crime in Tower Hamlets but also increased public confidence in the police.
- Boris Johnson's plans to cut Safer Neighbourhood Teams to the bone by cutting the teams to one police officer and one police community support officer per ward, down from six officers and staff at present.

**This Council Believes:**

- Putting over half of the borough's fire stations at risk of closure and planning to axe two of the borough's five police stations is reckless and a dereliction of the Mayor's duty to protect residents.
- The levels of high density housing in Tower Hamlets makes the threat and potential loss of life from fire much greater than in more less densely populated boroughs. This, paired with the fact that Tower Hamlets already has the highest rate of fires in London makes the Mayor's proposed closures completely irresponsible.
- Boris Johnson has chosen to pursue a political gimmick in giving Londoners a 7p a week cut in Council Tax which will result in massive cuts to the vital services they rely on.

**This Council Resolves:**

- To condemn the Mayor of London's deep cuts to fire and police stations in the borough.
- To support Labour's 999 SOS campaign against the cuts to police and fire stations in Tower Hamlets.
- To invite the Police Borough Commander to the next, post-budget, Full Council meeting to brief councillors on the Mayor of London's police station closures proposals and their impact on crime levels in Tower Hamlets.
- To invite the Fire Brigade Borough Commander to the next, post-budget, Full Council meeting to brief councillors on the Mayor of London's fire station closures proposals and their impact on the fire brigade's ability to respond to fires in Tower Hamlets.

## **12.4 Motion regarding Benefit Cap**

**Proposer: Councillor Tim Archer**

**Seconder: Councillor David Snowdon**

### **This Council Notes:**

1 in every 3 pounds raised in taxes by the Government is spent on Welfare

That more money is spent on Welfare than the Defence, Education and Health budgets put together.

That the Rt Hon Liam Byrne MP, Shadow Work and Pensions Secretary told the London School of Economics in 2012;

“We are the Labour Party. The party that said idleness is an evil. The Party of workers, not shirkers”

Mr Byrne also told the Labour Party Conference in 2011;

“Many people on the doorstep at the last election felt that too often we were for shirkers, not workers”

The last Labour Government left a deficit of £170 billion and over a trillion pounds worth of national debt, and Liam Byrne MP, left a note at the Treasury for his successor which stated;

“Dear Chief Secretary,

I am afraid to tell you, there is no money left.”

Over the past 5 years those living on out of work benefits have seen their income increase by 20% while those in work have seen their income increase by just 12%.

### **This Council Believes:**

That the Coalition Government were right to cap benefit rises at 1% for the next 3 years in line with public sector workers pay.

That the Coalition Government are right to get our public finances and deficit under control following the financial mess the last Labour Government left.

This council supports Liam Byrne’s speeches of 2011 and 2012 regarding welfare, as quoted above.

### **This Council Resolves:**

To support the Government in their steps to help people get back to work.

To support the Government’s 1% up-rating of benefits for the next 3 years.



## **12.5 Motion against Boris Johnson's police cuts**

**Proposer: Councillor Shafiqul Haque**

**Seconder: Councillor Ohid Ahmed**

### **This Council notes:**

1. That on 10 January 2013 Boris Johnson published his draft Police and Crime plan for London
2. That this plan will result in Tower Hamlets having lost 93 officers since 2010
3. That across London, nearly half of PCSOs will be cut
4. That Bow, Isle of Dogs, Poplar and Limehouse police stations are under threat from the Conservative mayor
5. That Safer Neighbourhood teams, whose knowledge of the local area is vital to effective policing, will be dismantled and replaced by the out-moded sector policing model
6. The recent violent attacks on women in the Wapping Woods area of the borough
7. That the Mayor of Tower Hamlets has discussed the incidents with the Borough Commander, and is working closely with the police to reassure the public and ensure that residents feel safe
8. That in the budget proposals published on 9 January 2013, the Mayor of Tower Hamlets has allocated funds for 17 extra police officers

### **This Council believes:**

1. That the Conservative mayor's proposals are both a breach of his electoral pledges and his responsibility to ensure the safety of London's citizens
2. That the Conservative mayor's policing policies are driven by an asset-stripping mentality rather than the need to keep people safe
3. That following the recent violent attacks on women in the Wapping Woods area of the borough, the need for a well-funded police force, embedded in the local community, could not be more evident

### **This Council resolves:**

1. To call on all group leaders to join the Mayor in writing to the Conservative Mayor of London to protest these cuts in the strongest possible terms
2. To request the Mayor to instruct Council officers to review community safety protocols in the Wapping area.

## **12.6 Motion regarding Blacklisting of Workers.**

**Proposer: Councillor Joshua Peck**

**Seconder: Councillor Shiria Khatun**

### **This Council notes:**

- The GMB campaign to highlight that 3,213 workers were blacklisted by construction firms and which calls for all of those affected to be given an unreserved apology and compensation by the firms.
- That in 2009 the Information Commissioners Office (ICO) seized a database of 3,213 construction workers used by 44 companies to vet new recruits and keep out employment trade union and health and safety activists.
- That of the 3,213 workers identified on the blacklist only 194 have been informed that they appear on the list.
- Of the 194 people identified as featuring on the blacklist, 39 of these were based or attempting to find work in London.

### **This Council believes:**

- Blacklisting is an unacceptable practice which cannot be condoned.
- That the construction firms which engaged in blacklisting should apologise to those who have been affected and denied jobs as a result of the list.
- That the Information Commissioners Office should inform all those who feature on the blacklist.

### **This Council resolves:**

- To support the GMB campaign against the blacklisting of construction workers.
- To call on the Mayor to make clear to all construction companies bidding for Council contracts that any unlawful blacklisting of workers will not be tolerated.

## **12.7 Motion regarding History Teaching**

**Proposer: Councillor Zara Davis**

**Seconder: Councillor David Snowdon**

### **This Council notes:**

- Only 11.7% of Tower Hamlets school children pass 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.
- 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 high grades in History, we need to increase the provision of History teaching in our schools.

### **This Council resolves:**

To call on the Mayor 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 investigate barriers to a higher level of provision of history teaching and report back to full council within six months.
- To champion the cause of history teaching in Tower Hamlets and investigate what he can do to promote this objective

## **12.8 Motion regarding Defending the Welfare State**

**Proposer: Councillor Fozol Miah**

**Seconder: Councillor Harun Miah**

This Council notes:

- a) the Condem government is planning an extra £18 billion welfare cuts, on top the £18 billion already in train
- b) this will condemn more families to poverty and undermine progress made in reducing child poverty in Tower Hamlets and nationally.
- c) Government attempts to depict these cuts as largely affecting the long term unemployed or disabled are misleading
- d) most of those drawing benefits are the working poor like cleaners, carers and caterers who are working hard yet need benefits to survive because of their very low pay.
- e) Britain's low wage economy and lack of jobs are driving up our benefits bill, as is our failing housing market
- f) 95% of the recent £1 billion rise in housing benefit is paid to those in work.

This Council agrees:

- a) the defence of the welfare state from Tory driven attempts to dismantle it is a political priority for the people of Tower Hamlets
- b) that Government austerity is self-defeating
- c) instead of creating growth and jobs these policies are shrinking the economy, strangling growth, increasing unemployment, and driving the country deeper into recession.
- d) that we urgently need a programme of job creation, housing building, and measures to ensure people are paid a real living wage and have access to decent, affordable and secure housing.

## **12.9 Motion regarding Decent Homes Prioritisation**

**Proposer: Councillor Marc Francis**

**Seconder: Councillor John Pierce**

### **This Council notes:**

- Brodick House on the St Stephen's Estate is the last big tower block remaining in the ownership of Tower Hamlets Council;
- It is home to 130 households (121 tenants and nine leaseholders) across 22 storeys;
- Brodick House was completed in 1968 and most flats within it still retain the original kitchen and bathroom;
- The block has suffered from persistent problems with water penetration for many years and an ineffective storage heating system that tenants have to supplement with expensive electrical heaters;
- These problematic conditions undermine the health, education and life chances of the hundred or so children in Brodick House and the well-being older residents;
- In 2005, Old Ford Housing Association demolished two similar blocks on the Monteith Estate (Antrim House and Cavan House) and upgraded the remaining (Clare House) at a cost of around £6 million;
- In 2010, East End Homes upgraded two similar blocks (Berkeley House and Grafton House) at a cost of around £10 million each;
- The reduction in Government funding for Tower Hamlets Council's remaining estates means that, in Years 1 and 2, it has concentrated resources on those homes that are easiest to bring up to the Decent Homes Standard;
- The Budget indicates that £25 million should be available for Decent Homes works in 2013/14 and £45 million in 2014/15.

### **This Council believes:**

- The Conservative – Lib Dem Coalition Government is wrong to force councils to prioritise works on those properties with least problems;
- Tenants in Brodick House have suffered too long in very poor conditions and that improvements to the block, including new kitchens, bathrooms, and a new heating system should be a council priority.

### **This Council resolves:**

- To call on the Mayor to commit to prioritise the most in need blocks, such as Brodick House, in the Decent Homes programme for 2013/14 and 2014/15.

## **12.10 Motion regarding Social Landlords**

**Proposer: Councillor Emma Jones**

**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 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 that 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 that 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.

## **12.11 Motion regarding the impact of Housing Benefit ‘reform’ on women and families**

**Proposer: Councillor Oliur Rahman**

**Seconder: Councillor Rabina Khan**

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

1. Since April 2011, the Tory-led government has implemented cuts to housing benefit that include decreasing the local housing allowance level, increasing non-dependant charges, increasing the threshold for age threshold for the Shared Accommodation Rate of Local Housing Allowance from 25 to 35 for new claims.
2. In April 2013, the government is due to implement the most severe of all the reforms – The Benefit Cap of £500 for a couple and £350 for a single family.
3. The Council has launched a Prepare and Act Now Campaign to ensure that residents are aware of the changes and can seek advice and assistance from the Council and third sector organisations.
4. Of the 149 families visited by housing officers last week, 50% were single mothers, this compares to the percentage of single mother families in our entire borough’s population, of around 7%.
5. The November 2012 Homeless Bound study from the National Housing Federation (NHF) shows that 1,660 families with children and pregnant women were temporarily living in B&Bs in the three months after January last year in London, the South East and East of England, a 60% increase on 2010 figures.
6. The Lead Member for Housing has written to the two new housing ministers, Mark Prisk MP and Don Foster MP, as well as to Simon Hughes MP, The Deputy Leader of the Liberal Democrats to raise awareness of the impact these reforms will have on the residents of Tower Hamlets.
7. That following these representations the borough has been granted a three month grace period before the implementation of these changes.
8. That the budget proposals published by the Mayor on 9<sup>th</sup> January include £1m to help those made homeless by the changes.

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

1. These measures will have an adverse and disproportionate effect on Tower Hamlets residents.
2. The Benefit cap will increase the difficulty for residents on housing benefit to pay for private sector rent in this borough.
3. The disproportionately affected single mother households are some of the most vulnerable people in our community and many of these families will have been housed by the Council, following domestic violence incidents.

4. Many of these families have deep roots in Tower Hamlets, including family networks and will have children at local schools.
5. The impact of welfare reform on these women will be devastating – removing them from support networks they rely on and making it more unlikely they will access employment

**This Council resolves:**

1. To condemn the Tory-led government's policy of targeting the cuts at our most vulnerable residents.
2. To encourage councillors from all parties to work with the Mayor to lobby against these policies which clearly have a discriminatory affect on the residents of Tower Hamlets.
3. To continue to highlight the negative impact these reforms will have on families in Tower Hamlets, especially single mother families.
4. To continue offer support and guidance to residents, to ensure they are aware of the changes and have the support they need to prepare for them.
5. To support the proposal by the Mayor to allocate £1m to help those made homeless by the changes.



## **12.12 Motion regarding High Earners and Council Housing**

**Proposer: Councillor Gloria Thienel**

**Seconder: Councillor Tim Archer**

### **This Council Notes:**

- There are some 6,000 Council houses across the UK that have tenants earning more than £100,000 a year living in them.
- That it has been reported that there are 15,000 tenants in social housing earning more than £80,000 a year.
- That there are a number of such tenants resident in the London Borough of Tower Hamlets. These people including key supporters of the Mayor and his administration.
- That the Minister for Housing and Local Government has brought forward plans that would give social landlords new powers to increase rents for high-income tenants.

### **This Council Believes:**

- That these new powers granted to social landlords by the Department for Communities and Local Government will help solve this problem and return much needed social housing to those in need.

### **This Council Resolves:**

- To support the Department for Communities and Local Government in putting in place these new powers.
- To encourage all Social Landlords in the London Borough of Tower Hamlets not to subsidise rents for those high earners earning over £80,000

## **12.13 Motion against erasing the history of Tower Hamlets**

**Proposer: Councillor Ohid Ahmed**

**Seconder: Councillor Gulam Robbani**

### **This council notes:**

1. The Local Government Boundary Commission for England (LGBCE) are currently undertaking review of Tower Hamlets Ward Boundaries
2. The decision of the LGBCE on 13 November 2012 to adopt Conservative proposal to abolish the name Banglatown from Spitalfields & Banglatown.
3. The decision of the LGBCE to break up the East India and Lansbury ward and rename it Poplar North.
4. The decision of the LGBCE to abandon the St Dunstan's ward name
5. That the decision was taken following representations from the Conservative Party in Tower Hamlets.
6. That Cllr Peter Golds, Leader of the Conservative Group has stated in an interview with satellite TV station channel S that *'what will happen if every single tiny group in the country suddenly decides they want their local government ward named after it. What are we going to have, Earls Court and Kangaroo Valley for the Australians?'*
7. That the Mayor of Tower Hamlets, Lutfur Rahman has written formally, on behalf of the residents of Tower Hamlets, to the LGBCE, to reinstate 'Banglatown', 'Lansbury' and St Dunstan's in their final review of historic ward names and boundaries.

### **This Council resolves:**

1. To condemn in the strongest possible terms the clear attempt by the Conservative Party, led by Councillor Peter Golds, to attempt to abolish historic ward names.
2. To acknowledge the deep offence caused by Councillor Golds' attempts to influence the LGBCE in this way, and demands that the Conservative Group leader publically apologise to the residents of Spitalfields and Banglatown for the offence and upset he has caused both with the initial proposals and subsequent remarks on the matter.
3. To endorse the Mayor's position on retaining these historic ward names.

## **12.14 Motion in support of the London Living Wage**

**Proposer: Councillor Abdul Asad**

**Seconder: Councillor Shafiqul Haque**

### **This council notes:**

1. That in November 2008, the then Leader of the Council and now Executive Mayor of Tower Hamlets, Lutfur Rahman, instituted the London Living Wage in the Council.
2. That the Council is seeking to extend the Living Wage into its agreements with sub-contractors to ensure that they too pay a fair and decent wage to workers.
3. That the Labour Leader Ed Milliband pledged to bring in a living wage for all government contracts.

### **This council believes:**

1. That paying a living wage is a cornerstone social and economic justice.
2. That in these times of Tory-led economic stagnation, cuts and devastating welfare reform, it is more important than ever to ensure that the incomes of the most vulnerable are protected.

### **This council resolves:**

1. To reaffirm its commitment to the London Living Wage
2. To support the Mayor in the battle to continue to ensure the Council's contracting practices use every measure within the law to widen the agreement to deliver the London Living Wage.

## **12.15 Motion against Free Schools**

**Proposer: Councillor Shahed Ali**

**Seconder: Councillor Ohid Ahmed**

### **This council notes:**

1. The recent decision by the planning committee to grant permission to Wapping Free School to operate from the former Polly Peck offices on the corner of New Road and Commercial Road.
2. That national Labour Party policy is consistently opposed to Free Schools
3. That only 1.7 per cent of pupils at the first Free School to establish itself in Tower Hamlets are on school meals, compared to 48 per cent for the borough as a whole.
4. The remarkable improvement in GCSE results by the borough's children that has been achieved by years of investment by the Mayor and his Labour predecessors in the borough's state schools and teaching infrastructure.

### **This Council believes:**

1. That Free Schools are divisive, elitist and a negative influence on community cohesion.
2. That the Labour Party's national stance against Free Schools should be endorsed.

### **This Council resolves:**

1. To ask the Mayor to write to the Education Secretary, Michael Gove, to highlight the unrepresentative and divisive nature of Free Schools.

## **12.16 Motion supporting Energy Co-operatives**

**Proposer: Councillor Rabina Khan**

**Seconder: Councillor Shahed Ali**

### **This Council notes:**

1. That the Mayor has launched an initiative to sign people up to an energy co-operative that will allow them to purchase gas and electricity much more cheaply than through mainstream providers.
2. That to date nearly 2000 people have expressed interest in joining the co-op.
3. The recent news reports indicating “Libor-like” manipulation of the price of energy by the big providers.
4. That it has secured £40,000 from central government to support this scheme.

### **This Council believes:**

1. That encouraging residents to sign up to the energy co-op is an effective way to ease the burden of Tory-led cuts, economic stagnation and welfare reform.

### **This Council resolves:**

1. To call on Group leaders to work with the Mayor to publicise the Energy Co-op and the benefits it could bring to residents, especially those on low incomes.

## **12.17 Motion on Recorded Votes**

**Proposer: Councillor Rania Khan**

**Seconder: Councillor Ohid Ahmed**

This Council notes:

1. That Council's constitution includes a provision for 'Recorded Votes'.
2. That this provision is designed to allow for maximum accountability.
3. That until 25 January 2012 the threshold of members required to trigger a Recorded Vote in Full Council was 10.
4. That on 25 January 2012 a motion was carried by a majority in Full Council increasing the threshold from 10 members to 20.
5. That this threshold is unreasonably high without precedent in Tower Hamlets and elsewhere.
6. That in Camden, the threshold is 7 members, in Barnet it is 10 members, in Newham it is 6 members, in Westminster it is 10 members, and in Greenwich it is 5 members.

This Council believes:

1. That the 'Recorded Vote' thresholds are generally low so that a minority can make their views known when votes go against them, to communicate to the public that whilst something they did not support may be Council policy, it is not unanimous and the minority opposed it.
2. That having a threshold of 20 members defeats the object of this provision, since (assuming whipping) recorded votes can only go ahead if the majority group is in favour.
3. That raising the threshold from 10 to 20 members was a backward step as regards the health of local democracy, and a grave mistake.
4. That having the highest threshold in the land, particularly when compared to the other aforementioned London boroughs, is deeply embarrassing for this authority.

This Council resolves:

To lower the threshold of support required to trigger a recorded vote from 20 members to 7 members.

## **12.18 Motion to protect Spitalfields open space**

**Proposer: Councillor Gulam Robbani**

**Seconder: tbc**

### **This Council notes:**

1. The decision of the planning committee to grant planning permission for a local school to build on the churchyard adjacent to Christ Church Spitalfields.
2. That the church is one of the finest examples of baroque architecture in Europe and has grade 1 listed status.
3. That the land, a disused burial ground, is held in trust by the London Borough of Tower Hamlets
4. That Spitalfields is the most densely populated area in London and that green space is at a premium.

### **This Council believes:**

1. That it has a duty to ensure that the site is managed in a way that allows the public to enjoy and make use of the open space.
2. That there are suitable alternative sites in the borough for the proposed development.

### **This Council resolves:**

1. To protect the churchyard from development and to work with relevant stakeholders to identify alternative sites.

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