

## LONDON BOROUGH OF TOWER HAMLETS

## RECORD OF THE DECISIONS OF THE CABINET

HELD AT 5.35 P.M. ON WEDNESDAY, 5 FEBRUARY 2014

COMMITTEE ROOM, 1ST FLOOR, TOWN HALL, MULBERRY PLACE, 5 CLOVE  
CRESCENT, LONDON, E14 2BG**Members Present:**

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

**Other Councillors Present:**

Councillor Kabir Ahmed	(Executive Advisor to the Mayor and Cabinet)
Councillor Marc Francis	
Councillor Peter Golds	(Leader of the Conservative Group)
Councillor Md. Maium Miah	(Advisor to the Mayor and Cabinet on Third Sector and Community Engagement)
Councillor Gulam Robbani	(Executive Advisor to the Cabinet and Mayor on Adult Social Care)
Councillor Motin Uz-Zaman	(Chair, Overview & Scrutiny Committee)

**Officers Present:**

Katherine Ball	(Senior Accountant, Development & Renewal)
Robin Beattie	(Service Head, Strategy & Resources & Olympic Impact, Communities Localities & Culture)
Michael Bell	(Strategic Planning Manager, Development & Renewal)
Kate Bingham	(Service Head, Resources, Education Social Care and Wellbeing)
Anne Canning	(Service Head Learning and Achievement, Education Social Care and Wellbeing)
Aman Dalvi	(Corporate Director, Development & Renewal)
Peter Farnham	(Strategic Planning Officer)
Daniel Fordham	(Business Partnerships Manager)
Ben Gadsby	(Political Adviser to the Conservative Group)
Stephen Halsey	(Head of Paid Service and Corporate Director Communities, Localities & Culture)
Ellie Kuper-Thomas	(Strategy, Policy and Performance Officer - Executive Mayor's Office, One Tower Hamlets,

Paul Leeson	Chief Executive's)
Robert McCulloch-Graham	(Finance Manager, Development & Renewal)
	(Corporate Director, Education Social Care and Wellbeing)
Andy Scott	(Interim Service Head Economic Development, Development and Renewal)
Takki Sulaiman	(Service Head Communications, Chief Executive's)
Meic Sullivan-Gould	(Monitoring Officer)
Ann Sutcliffe	(Service Head Corporate Property and Capital Delivery, Development and Renewal)
Matthew Mannion	(Committee Services Manager, Democratic Services, Chief Executive's)

The following is a record of those decisions taken by the Cabinet at their meeting held on Wednesday 5 February 2014.

**Most decisions may be 'called in'** for scrutiny by the Overview and Scrutiny Committee to be held on **Tuesday 4 March 2014** on receipt of a written request. The **deadline** for the receipt of any such written request is **5.00pm** on **Friday 14 February 2014**. Such requests should be made to John Williams, Service Head Democratic Services.

**The request to "call in" a decision must comply with the requirements set out in the Council's Constitution** (Part 4 – Rules of Procedure, Section 4.5 – Overview and Scrutiny Procedure Rules, Rules 16.2 - 16.4). These set out the time-scale for "call in", those persons who may "call in", the details the request must contain and which decisions may not be called-in.

Report authors will be advised by Democratic Services if any decision in respect of an item they have placed on the agenda has been "called in".

**Any decision not "called in" for scrutiny can be implemented on Monday 17 February 2014.**

**Any decision 'called in' for scrutiny but supported by the Overview and Scrutiny Committee**, at its meeting on Tuesday 4 March 2014, **can be implemented** the following day, **Wednesday 5 March 2014**.

**Any decision 'called in' for scrutiny but not supported by the Overview and Scrutiny Committee**, at its meeting on Tuesday 4 March 2014, will be **referred back to the Mayor in Cabinet** for further consideration on **Wednesday 5 March 2014**.

**Note – agenda order**

During the meeting the Mayor agreed to vary the order of business. To aid clarity, the Decision Sheet is presented in the order that the items originally appeared on the agenda.

**MR L. RAHMAN (MAYOR) IN THE CHAIR**

**1. APOLOGIES FOR ABSENCE**

Apologies for absence were received on behalf of Councillor Rania Khan (Cabinet Member for Culture).

**Action by:**

**SERVICE HEAD, DEMOCRATIC SERVICES (JS. WILLIAMS)**

(Committee Services Manager (M. Mannion))

**2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS**

None were declared.

**3. UNRESTRICTED MINUTES**

The unrestricted minutes of the Cabinet meeting held on 8 January 2014 were noted.

**Action by:**

**SERVICE HEAD, DEMOCRATIC SERVICES (JS. WILLIAMS)**

(Committee Services Manager (M. Mannion))

**4. PETITIONS**

Nil items.

**5. OVERVIEW & SCRUTINY COMMITTEE**

**5.1 Chair's Advice of Key Issues or Questions in Relation to Unrestricted Business to be Considered**

Nil items.

**5.2 Any Unrestricted Decisions "Called in" by the Overview & Scrutiny Committee**

Nil items.

## **6. A GREAT PLACE TO LIVE**

### **6.1 Whitechapel Vision Economic and Employment Impacts Study**

#### **DECISION**

1. To note the contents of the report in terms of the anticipated economic and employment impacts of the delivery of the Whitechapel Vision masterplan; and
2. To note in particular the report's analysis with regard to the likely impacts of the delivery of the new civic hub which the masterplan proposes.

#### **Action by:**

**CORPORATE DIRECTOR, DEVELOPMENT AND RENEWAL (A. DALVI)**

(Service Head, Economic Development (A. Scott))

#### **Reasons for the decision**

The Whitechapel Vision masterplan itself has been considered by Cabinet separately on 4 December 2013. The implementation of the masterplan will be likely to have a significant impact on the economy of Whitechapel and more widely in Tower Hamlets, and in particular on the availability of job opportunities. The Whitechapel Vision Economic and Employment Impacts Study, which is provided at Appendix One, presents an analysis of these impacts.

This report is presented for noting in order to provide Cabinet members with an opportunity to consider the economic impacts of implementation of the masterplan, and in particular the economic impacts of the delivery of the six "key place transformations" which the masterplan recommends.

#### **Alternative options**

Alternative options to the adoption of the Whitechapel Vision masterplan were considered when that document was presented to Cabinet on 4 December 2013. The report presented here identifies potential benefits which may flow from implementation of the masterplan and is for noting only.

### **6.2 Mulberry Place and proposed Civic Centre**

#### **DECISION**

1. To confirm the former hospital site in Whitechapel as the preferred option for the new civic centre;
2. In light of the above preference:
  - a. To authorise the Corporate Director Development and Renewal to complete negotiations with Bart's Health NHS Trust for the purchase of Grade 2 listed former hospital building/site in Whitechapel on Whitechapel Road for the purpose of a new

civic centre. The purchase cost and offer, of up to the sum specified in the exempt section of this report, is on an unconditional basis.

- b. To agree commencement of the design and procurement work streams.
  - c. To agree preparation of a final financial business case to provide detailed analysis to satisfy the procurement appraisal as detailed in the outline business case and confirm the proposed exit strategy should the council not proceed with the scheme.
  - d. To agree disposal of the surplus sites identified within the outline business case in accordance with the proposed programme.
  - e. To agree expenditure of up to £200k to implement recommendations b, c and d above.
3. To authorise the Corporate Director Development and Renewal, after consultation with the Head of Legal Services, to agree the final terms and conditions of any agreement required to implement the decisions in 2 above.
  4. To authorise the Head of Legal Services to execute all necessary contract documents to implement this decision.

**Action by:**

**CORPORATE DIRECTOR, DEVELOPMENT AND RENEWAL (A. DALVI)**  
(Service Head, Corporate Property and Capital Delivery (A. Sutcliffe))

**Reasons for the decision**

In line with the Executive Mayor and Cabinet instructions at February 2013 Cabinet (81/123) officers have completed an outline business case.

The outline business case has been reviewed and assessed by officers to inform the recommendations within this report.

In addition to utilising existing council owned assets for the proposed new civic centre, the acquisition of a site within the proposed Whitechapel regeneration area has also been considered at the request of members and in response to the recently adopted Whitechapel Masterplan.

In addition to looking at the development of a civic centre on Commercial Road, officers have also undertaken an assessment of the benefits of a new civic centre in Whitechapel. A comparison has been made between the Commercial Road site, the Whitechapel site and the current base occupation of Mulberry Place. This analysis has shown the benefits derived from the development of a new civic centre – either on Commercial Road or in Whitechapel. The purchase and development cost can be covered by the sale

of existing assets and on a Net Present Value basis there is an annual saving of over £1 million per annum in either one of the relocation options as presented.

Officers have assessed and built upon the assumptions outlined in the 'in principle' stage for a consolidated civic centre. NPS Group were commissioned to complete an office space study, including a detailed occupancy audit of Mulberry Place to assess the utilisation of space following the consolidation from Anchorage House to Mulberry Place. The resultant analysis has allowed officers to make an assessment on the amount of space required for a new civic centre as part of a purpose built mixed use development.

If the council cannot commit to a new civic centre, it may need to enter in to a new lease arrangement for Mulberry Place. However, there are a number of commercial issues that put this option at risk. Those issues are set out in the exempt section of this report.

In addition to those issues set out in the exempt section of this report, the current building is now in very real need of a complete refurbishment including central services at some considerable cost and time to enable the future long term use of the building.

Officers have been in discussion with Barts Health NHS Trust in relation to the former Royal London Hospital site, which has been declared surplus to their operational requirements. The site was placed on the Public Register of Surplus Assets for the prescribed 40 day period in which officers submitted an expression of interest. The expression of interest was successfully acknowledged and the Trust has formally invited the council to submit a financial offer for the unconditional freehold purchase of the site. In presenting an option, within the recommendations of this report, to purchase the site, the project team has undertaken further due diligence to ensure that development proposals are deliverable and robust. Paragraph 3.10 of the exempt section of this report sets out the proposed exit strategy if the council were to choose not to proceed with the development.

A purchase of the site can proceed on the basis of an agreed valuation between the council and Barts Health NHS Trust.

The justification for the further consolidation of council administrative buildings in to a purpose built mixed use civic centre is predicated on the disposal of some, if not all, current administrative sites, being;

- Mulberry Place – leased until 2020
- Jack Dash House – Long leasehold until 2139
- Albert Jacob House – LBTH Freehold

Additional surplus asset disposals may be required to contribute to the programme of works. The council's use of assets and resources in support of key priorities can help ensure effective delivery of vital front line services.

**Alternative options**

A number of options have been considered in the outline business case. The options which have been recommended by officers to be taken forward to the next stage of the programme are summarised below.

**CONTINUE CURRENT POSITION** - Extend existing civic centre lease; this option will continue to be modelled by the team to ensure our baseline assessments are robust and to monitor efficiency savings being generated. However, for reasons set out in the exempt section of the report, a renewal of the lease is not recommended.

**CIVIC CENTRE OPTION** – (a) Enter into negotiation with Barts Health NHS Trust for the procurement of the former hospital building in Whitechapel. Upon completion of the purchase build a purpose built consolidated civic centre or (b) build a purpose built consolidated civic centre on the Commercial Road site or (c) bring back into use all or some of the sites identified above for council business activities.

**DISPOSAL OPTIONS** – Based on current occupancy and utilisation of the council's existing estate, in the context of providing new space requirements, the council can significantly improve the utilisation of its infrastructure. Any new development will commit and require significant funds. In order to mitigate the effect of borrowing on the council's revenue commitments, there are a number of disposal options available which can offset the medium term impact associated with the site procurement and subsequent construction. Officers consider it necessary to fund capital development from these receipts.

**MOVE TO EXISTING COUINCIL BUILDINGS** – Having reviewed the council's existing assets, none of the buildings currently owned by the council are of sufficient size to accommodate the forecast service needs. At best the council would need to decant into five, or possibly six, buildings. All these buildings would need substantial refurbishment works and leave the council dispersed around the borough. This would mean operating in an inefficient and fragmented way, having a detrimental effect on service performance and efficiency and reducing the flexibility to manage the size of the organisation going forward. Paragraphs 3.28 to 3.30 provide more detail.

### **6.3 Neighbourhood Planning - Application to establish Neighbourhood Planning Forums and Areas in Shoreditch & Wapping**

**DECISION****East Shoreditch Neighbourhood Planning Forum application:**

1. To designate the submitted Neighbourhood Planning Area for East Shoreditch in its entirety for the area within the London Borough of Tower Hamlets (shown on the plan attached at Appendix 1) pursuant to Section 61G of the Town and Country Planning Act 1990.

2. To designate the East Shoreditch Neighbourhood Planning Forum as the Neighbourhood Planning Forum for the designated East Shoreditch Neighbourhood Planning Area within the London Borough of Tower Hamlets pursuant to Section 61F of the Town and Country Planning Act 1990.

**Network Wapping application:**

3. To refuse to designate the Neighbourhood Planning Area submitted by Network Wapping but designate part of the submitted area as the Wapping Neighbourhood Planning Area (shown on the plan attached at appendix 1) pursuant to Section 61G of the Town and Country Planning Act 1990 for the reasons stated in section 1 of this report.
4. To refuse to designate Network Wapping as the Neighbourhood Planning Forum for the designated Wapping Neighbourhood Planning Area pursuant to Section 61F of the Town and Country Planning Act 1990. This is because there remains significant objection to the designation of Network Wapping as a Neighbourhood Planning Forum demonstrating a lack of community cohesion in terms of leadership for neighbourhood planning such that the Council is not satisfied that the proposed forum are representative of the local community to an extent that will lead to successful neighbourhood planning within the Wapping area.

**Action by:****CORPORATE DIRECTOR DEVELOPMENT AND RENEWAL (A. DALVI)**

(Strategic Planning Manager (M. Bell))

(Principal Planning Officer (P. Farnham))

**Reasons for the decision**

The reasons are based on an assessment of each application and consultation responses. Neighbourhood Planning Areas and Forums were considered separately.

**East Shoreditch Neighbourhood Planning Forum**Neighbourhood Planning Area

The proposed Area is focused around the Boundary Estate with a portion also within the London Borough of Hackney. The proposed Forum has provided a clear map and comprehensive explanation of how the Area has been defined using a sound spatial planning and urban design methodology that acknowledges the physical, socio-economic and cultural characteristics of the Area. As such the Area is considered to accord with Section 61G of the Town and Country Planning Act 1990.

In addition the Area does not include any Local Plan site allocations and is considered consistent with the delivery of Local Plan and London Plan strategic planning policies.



### Neighbourhood Planning Forum

The proposed Forum has engaged extensively with planning officers during the preparation of the application which has resulted in a robust submission using the Council's application form. The application to establish the Neighbourhood Planning Forum has been assessed in relation to the criteria stated within Section 61F of the Town and Country Planning Act 1990:

Criteria	Evidence
The Forum is established for the express purpose of promoting or improving the social, economic and environmental well-being of an area;	<ul style="list-style-type: none"> <li>• Provision of an extensive amount of detailed information to demonstrate how the Forum will promote and improve each of these elements while helping to deliver Council priorities and engaging with other local forums.</li> </ul>
The Forum's membership is open to individuals who live in the neighbourhood area, individuals who work there and individuals who are elected members for the area;	<ul style="list-style-type: none"> <li>• Detailed demonstration of undertaking extensive inclusive community engagement activities and events with central government support.</li> <li>• Written constitution enables ongoing open membership.</li> <li>• Commitment to monitoring of membership using demographic data.</li> </ul>
The Forum's membership includes a minimum of 21 individuals each of whom live in the area, work in the area or are elected members for the area;	<ul style="list-style-type: none"> <li>• Demonstration of 21 members providing interests, relevant background and postcodes of each individual. This depicts a membership from different locations within the Area and from different sections of the diverse local community which represents the character of the Area.</li> <li>• Complete membership totals 60 individuals.</li> </ul>
The Forum has a written constitution.	<ul style="list-style-type: none"> <li>• Constitution has been developed with central government support and is considered to be appropriate to meet the ongoing needs of the Forum.</li> </ul>

In light of the assessment described above, planning officers consider that the application to establish a Neighbourhood Planning Forum has successfully and comprehensively demonstrated that it meets the requirements of Section 61F(5) and enabled the Council to have regard to the elements defined in 61F(7) of the Town and Country Planning Act (1990) and the Tower Hamlets Neighbourhood Planning Guidance Note (2013).

## **Network Wapping**

### Neighbourhood Planning Area

The proposed Area of the application as depicted in appendix 1 is focused south of the DLR / National Rail line and north of the River Thames within Wapping and the surrounding areas. The proposed Forum has provided a map with a limited description of the area.

The proposed Area includes the Local Plan London Dock site allocation which is located towards the centre of the proposed area.

The proposed Area also includes St. Katharine Docks. The Friends of St. Katharine Docks, alongside residents, have strongly objected to the inclusion of the area. As the Friends of St. Katharine Docks are the representative group for the St. Katherine Docks area, officers recommend that St. Katharine Docks are removed from the proposed Neighbourhood Planning Area. Officers consider the resulting boundary would offer a clear definition between the local character of St. Katharine Docks and the Wapping Neighbourhood Planning Area.

The proposed Area also seeks to include areas to the north of the Highway. Consultation respondents have strongly objected to the inclusion of this area stating that this area is not perceived to be a part of Wapping and should be excluded. As such, officers recommend that the area north of the Highway is removed from the proposed Neighbourhood Planning Area. Officers consider the resulting boundary would offer a clear definition between the local character of Wapping Neighbourhood Planning Area and areas to the north.

In accordance with Section 61G(5) of the Town and Country Planning Act 1990, to designate an amended boundary, the Council is required to firstly refuse the submitted application and then designate the Neighbourhood Planning Area. The amended Neighbourhood Planning Area as recommended for approval is depicted in appendix 1.

### Neighbourhood Planning Forum

The proposed Forum has engaged extensively with planning officers during the preparation of the current and previous application. This has resulted in a coherent submission using the Council's application form. The application to establish the Neighbourhood Planning Forum has been assessed in relation to the criteria stated within Section 61F of the Town and Country Planning Act 1990:

<b>Criteria</b>	<b>Evidence</b>
The Forum is established for the express purpose of promoting or improving the social, economic and environmental wellbeing of an area.	<ul style="list-style-type: none"> <li>Provision of information demonstrating how the Forum will promote and improve each of these elements while helping to deliver Council priorities and engaging with</li> </ul>

<p>The Forum's membership is open to individuals or live in the neighbourhood area, individuals who work there and individuals who are elected members for the area.</p>	<p>other local forums.</p> <ul style="list-style-type: none"> <li>• Detailed demonstration of undertaking extensive inclusive community engagement activities and events with Central government support.</li> <li>• Written constitution enables ongoing open membership.</li> </ul>
<p>The Forum's membership includes a minimum of 21 individuals each of whom live in the area, work in the area or are elected members for the area.</p>	<ul style="list-style-type: none"> <li>• Demonstration of 34 members providing interests, relevant background and postcodes of each individual. This depicts a membership from different locations within the Area.</li> </ul>
<p>The Forum has a written constitution.</p>	<ul style="list-style-type: none"> <li>• Constitution is considered to be appropriate to meet the ongoing needs of the Forum.</li> </ul>

In light of the assessment described above, planning officers consider that the application to establish a Neighbourhood Planning Forum has successfully demonstrated that it meets the requirements of Sections 61F(5) of the Town and Country Planning Act (1990) and the Tower Hamlets Neighbourhood Planning Guidance Note (2013).

However, in accordance with Section 61F(7) of the Act (1990), the Council must have regard to whether the proposed Forum's membership is drawn from different places, is from different sections of the community in the Neighbourhood Planning Area and whether the Forum's purpose reflects the character of the Area.

The Forum has demonstrated through its application material that it has received substantial levels of support which includes support beyond the forum membership. However, this is also joined by significant levels of consultation responses objecting to the proposal (detailed in the two Consultation Summary Reports in Appendix 2).

In line with the legislation an assessment as to whether the membership of the Forum is drawn from different sections of the community is required. As set out in the Consultation Summary Reports (appendix 2) the original application lodged by Network Wapping attracted 111 objections. Because of the high number of objections, Network Wapping asked for additional time to carry out further engagement with the community and during this period a further 39 objections were received (9 being resubmissions). The Council remained concerned about the level of opposition and as a result Network Wapping decided to withdraw their application. The current application was submitted by Network Wapping on 1 September 2013 and the Council carried out a new round of consultation. In the consultation documents the Council indicated that previous representations would be considered by the Council when the application was determined. Consultation on the second application attracted 43 objections (12 being resubmissions from the first consultation

period). It should be acknowledged that a number of the objections related to the inclusion of St Katherine's Dock within the neighbourhood planning area, and as officers are recommending that the boundary of the area is altered to exclude this area, objections in this regard would be resolved.

A high level of objections does not on its own demonstrate that membership is not drawn from different sections of the community, but it is clear that there are opposing groups in the area and that not all of the community are represented by this group. Whilst it is not necessary for a forum to represent **all** sections of the local community (and this could be difficult to achieve) the high levels of objection in this case is a cause for concern particularly given that one of the main functions/powers of a forum is to develop a Neighbourhood Plan. It is clear that Network Wapping have sought to involve a cross section of the community in their forum and on balance it is considered that this requirement of the legislation is met. However, the consultation responses demonstrate a diversity of community opinion within Wapping relating to leadership for Neighbourhood Planning. This has raised concerns about the representativeness of the forum and its ability to respond to the diversity of community views. This is a matter of concern for the Council having regard to the function of a forum, which the Council would want to see delivered effectively and as efficiently as may reasonably be expected. There needs to be further local engagement activities to ensure that any forum that comes forward reflects the social character of the Area and has wider community support so that the Council can be satisfied that it is representative of the local community and will lead to successful neighbourhood planning within the Wapping area.

Officers are keen to ensure the sustainable implementation of Neighbourhood Planning within the Wapping area and are concerned that the significant level of opposition will be maintained and may result in a future Neighbourhood Plan failing to gain the necessary support in the required local referendum. The Council are only required to adopt a Neighbourhood Plan if in the applicable referendum, more than half of those voting have voted in favour of the plan. If a neighbourhood development plan failed to gain the necessary support in a referendum this would result in an inefficient use of the Forum's and Council's resources that would be required to develop the Plan.

In light of the above, officers recommend that the designation of the Neighbourhood Planning Forum is refused. Further local engagement between relevant parties will be expected to deliver a Forum for the proposed amended Wapping Neighbourhood Planning Area that represents interested involved parties. Officers would expect Network Wapping to be involved in this process and support to bring the groups/interests together can be provided by the Council.

### **Alternative options**

#### **East Shoreditch Neighbourhood Planning Forum**

Given the comprehensive high level of quality of East Shoreditch Neighbourhood Planning Forum's application an alternative option was not

considered necessary. Alternative options were considered for Network Wapping.

### **Network Wapping**

The option for designating the Neighbourhood Planning Forum was considered and discounted because of concerns that this would not be conducive to community cohesion in terms of neighbourhood planning or lead to the successful adoption of neighbourhood planning in this area. Specifically, this would not have addressed the objections from the community and may constrain the delivery of a Neighbourhood Plan.

## **7. A PROSPEROUS COMMUNITY**

### **7.1 Proposed Expansion of Olga School**

#### **DECISION**

1. To agree that statutory proposals should be published for the enlargement of Olga Primary School to admit 90 pupils in each year from September 2016.

#### **Action by:**

**CORPORATE DIRECTOR, EDUCATION, SOCIAL CARE AND WELLBEING  
(R. McCULLOCH-GRAHAM)**

(Service Head Resources, CSFD (K. Bingham))

#### **Reasons for the decision**

Proposals have been developed to expand Olga Primary School to assist in the LA's programme to provide primary school places to meet growing local need. Initial consultation on the proposals has been held. Cabinet is asked to consider the proposed expansion, the response to the initial consultation and the recommendation that statutory proposals for the expansion should be published. The publication of statutory proposals is required in order to implement this change to the school.

#### **Alternative options**

In order to meet the rising need for school places, the Council has implemented a number of school expansion projects and continues to develop further schemes to meet need. Longer term development plans for the borough include proposals for new primary schools. However, further expansion proposals are needed to keep pace with the need, so taking no action would leave the Council at risk of being unable to discharge its statutory functions. The options for expansion have been considered having regard to the factors set out in paragraphs 3.7 to 3.10 of the report.

As referred to in paragraph 3.20, Olga School is included in the Grouped Schools PFI contract. The contractor has a long term interest in the site (until 2027). The cooperation and consent of the PFI contractor and its funders is required in order to carry out the building works and so the PFI contractor will

act as the Council's agent to procure the works. This ensures that the scheme is jointly developed. Using an alternative contractor for the works would take more time and create additional costs for the Council in obtaining the relevant consents. It could also lead to potential contractual disputes during the works and in the subsequent delivery of ongoing facilities management services.

## **7.2 Determination of School Admission Arrangements for 2015/16**

### **DECISION**

1. To agree the arrangements and oversubscription criteria for admission to Community Nursery Schools/Classes in 2015/16, as set out in Appendix 1.
2. To agree the arrangements, oversubscription criteria and catchment areas for admission to Community Primary Schools in 2015/16, as set out in Appendices 2 and 3.
3. To agree the arrangements and oversubscription criteria for admission to Community Secondary Schools in 2015/16, as set out in Appendix 4.
4. To agree the scheme for co-ordinating admissions to Reception Year of primary school and Year 7 of secondary school for 2015/16, as set out in Appendix 5.
5. To agree the scheme for co-ordinating 'In-Year' Admissions for 2015/16, as set out in Appendix 6.
6. To agree the planned admission number for each School in Tower Hamlets in 2015/16, as set out in Appendix 7.

### **Action by:**

#### **CORPORATE DIRECTOR, EDUCATION, SOCIAL CARE AND WELLBEING (R. McCULLOCH-GRAHAM)**

(Service Head, Learning and Achievement (A. Canning)

(Head of Pupil Admissions and Exclusions (T. Bryan)

### **Reasons for the decision**

The Council decides and implements its school admission arrangements through local consultation, enabling it to fully understand and meet circumstances in its area. In doing so, the Council seeks to provide a clear framework intended to ensure arrangements are lawful, reasonable and minimise delay to children accessing education.

The Council is particularly concerned that its school admission arrangements should promote and enable fair access to educational opportunity, secure choice and diversity as well as respond to parental and community

representation. The proposed schemes, consultation and recommendations in this report are consistent with the Council's statutory duties as set out in the most recent School Admissions Code.

The Council is addressing the rising need for school places and ensuring that both its school admission and school place planning arrangements work in harmony. An additional 285 primary school places have been created since 2008 and a further 90 primary places have so far been agreed for September 2014. The co-ordination of arrangements together with school catchment areas provide a framework to plan the provision of school places more coherently, taking account of existing and future school locations; travelling distance; pupil migration and changes in neighbouring boroughs.

### **Alternative options**

The Council has a statutory duty to determine arrangements for admission to its community schools and to formulate a complying scheme for co-ordinating admissions at the main points of entry (i.e. reception, Year 3 for junior schools and Year 7 for transfer from primary to secondary school). If Cabinet fails to take such action the Council would be acting contrary to the law.

The recommendations in this report have been prepared with regard to the need for arrangements to be clear, objective and fair. Due consideration has been given to alternative admission arrangements, but any alternative action could lead to inequality and leave the Council open to legitimate complaint and legal challenge. If Cabinet wished to consider adoption of alternative arrangements, then full consideration would need to be given to the guidance provided in the report, particularly as to the legal requirements.

## **8. A SAFE AND COHESIVE COMMUNITY**

Nil items.

## **9. A HEALTHY AND SUPPORTIVE COMMUNITY**

### **9.1 Award of contract for Young People's Substance Misuse Services**

#### **DECISION**

1. To approve the award of contract to the recommended bidder, Lifeline, for the Young People's Substance Misuse Service;
2. To authorise the Corporate Director of Education, Social Care and Wellbeing, in consultation with the Head of Legal Services, to agree the final terms and conditions of the contract;
3. To authorise the Head of Legal Services to execute all necessary contract documents to implement this decision.

#### **CORPORATE DIRECTOR, EDUCATION, SOCIAL CARE AND WELLBEING (R. McCULLOCH-GRAHAM)**

(Service Head, Commissioning and Strategy (D. Cohen))

**Reasons for the decision**

Following the completion of competitive processes undertaken in line with the Council's Financial Regulations and Procurement Rules, the service provider has been identified as having submitted the most economically advantageous tender in respect of the tender advertised, and it is proposed therefore that the contract be awarded to Lifeline to deliver the Young People's Substance Misuse Service.

The pre-tender process included approval to proceed which was granted by the Strategic Competition Board through the Tollgate process and Cabinet.

A market warming event was held at the pre tender stage to which local and national providers were invited. The purpose of the event was to brief providers on service expectations.

The tender opportunity was advertised on the Council's tender portal and local providers were notified via email by both the Council and Volunteer Centre Tower Hamlets.

Seven PQQs were received and following evaluation six organisations were invited to tender. Six tenders were submitted which were evaluated by Council officers and young people against the PQQ criteria which included: localism and community benefits, experience, clinical governance, skills and specialist knowledge and safeguarding.

The tenders were evaluated against the criteria set out in the method statement, namely: partnership working, skills, knowledge and experience, service model, management and operation of the service. Bidders were asked to respond to a total of 26 questions in all. Following the evaluation three organisations were invited to attend an interview to present their approach to Child Rights to a panel consisting of council officers and a young person. The interviews were evaluated and the scores were included in the overall tender evaluation scores.

The contract value is £225,801 per annum (total for the life of the contract will be £677,403). The contract period will be for two years with provision to extend for a further year subject to satisfactory performance and available resources.

**Alternative options**

The nature of the service is such that providers are required to have in place sound clinical governance arrangements and best practice organisations would be registered with an appropriate authority such as the Care Quality Commission (CQC). There is no in-house expertise in this area and there is also no provision within the current arrangements to extend the existing contract therefore the only available option was to conduct an open tender exercise.



## 9.2 Award of contract for various Social Care services

Subject to the **Mayor** removing the proposed contract award for 'Personal Care in four Extra Care Sheltered Housing Schemes' to allow more information to be presented, the recommendations were approved.

### DECISION

1. To approve the award of contract to the recommended bidder for each service as listed below:

<b>Service:</b>	<b>Recommended bidder:</b>
Mental Health Carers Support Service	Rethink Mental Illness
Mental Health Family Support Service	Family Action
Advocacy and Independent Mental Health Advocacy Service	PohWER
Link Age Plus	Toynbee Hall (Consortium lead)
Autism Diagnostic and Intervention Service	East London Foundation Trust

2. To authorise the Corporate Director of Education, Social Care and Wellbeing, in consultation with the Head of Legal Services, to agree the final terms and conditions of the contract for each service;
3. To authorise the Head of Legal Services to execute all necessary contract documents to implement this decision.

#### Action by:

**CORPORATE DIRECTOR, EDUCATION, SOCIAL CARE AND WELLBEING  
(R. McCULLOCH-GRAHAM)**

(Service Head, Commissioning and Strategy (D. Cohen))

#### Reasons for the decision

To enable the award and mobilisation of contracts for a range of adult social care services, as listed in the body of the report below, in order to ensure continuity of service provision to vulnerable residents eligible to receive community care services.

#### Alternative options

The Mayor in Cabinet could instruct officers to set aside any or all of the proposed contract award decisions, and to re-run the relevant competitive tender processes. While such a course of action is allowed by the Council's Procurement Rules it is not recommended for the following reasons:

- Each of the tender exercises has been undertaken in a manner that is fully compliant with the Council's Procurement Procedures and Procurement Policy Imperatives, and has generated sufficient levels of competition to give confidence that quality and value for money considerations have been fully addressed;

- While the Council reserves the right not to award a contract to any bidder following a competitive tender exercise, without a compelling reason to follow this course of action the risk of legal challenge from bidders is considered to be high;
- Any delay in awarding contracts while a new competitive tender exercise was undertaken would inevitably be significant and would necessitate interim contractual arrangements that would create uncertainty for both service users and interim service providers.

## **10. ONE TOWER HAMLETS**

### **10.1 Housing Revenue Account Budget Report – 2014/15**

#### **DECISION**

##### Revenue

1. To approve the draft 2014/15 Housing Revenue Account budget as set out in Appendix 1.
2. To approve the draft 2014/15 Management Fee payable to Tower Hamlets Homes (THH) of £33.633 million as set out in Table 2 in section 7.16.
3. Subject to 2 above, to note that under the Management Agreement between the Council and THH, THH will manage delegated income budgets of £88.034 million and delegated expenditure budgets of £24.381 million on behalf of the Council in 2014/15.
4. To note that, as referred to in paragraph 7.9, a sum of £0.205 million is being held within the HRA to provide for an assumed 1% pay award for 2014/15, and agree that the Management Fee will be adjusted – if necessary - to reflect the pay award when it is finalised.
5. To note that, as detailed in paragraph 7.10, a sum of £1.3 million is being held within the HRA to provide for a possible increase in Employer Pension contributions in 2014/15, and agree that the Management Fee will be adjusted – if necessary - to reflect this increase as and when it is finalised.
6. To note the HRA Medium Term Financial Plan (2014-17) outlined in Appendix 2.

##### Capital

7. To adopt a capital estimate of £6.7 million in relation to Mechanical and Electrical schemes, as outlined in paragraph 9.7 and Table 4.
8. To adopt a capital estimate of £3.5 million in relation to external works on non- Decent Homes blocks, as outlined in paragraphs 9.8 and 9.9.

9. To adopt a capital estimate of £1 million to fund Overcrowding Reduction Initiatives as outlined in paragraph 9.10.
10. To adopt capital estimates for the Aids and Adaptations programme (£750,000), the Capitalisation of Voids (£1.5 million) and the Capitalisation of Fees and Salaries (£650,000) as outlined in paragraph 9.11.
11. To adopt a capital estimate of £250,000 in order to maintain a contingency for urgent works of £1 million, as outlined in paragraph 9.12.
12. To adopt a capital estimate of £3.610 million in respect of the Extensions element of the GLA Pipeline scheme, and note that the Council will receive £1.020 million of GLA funding for this scheme (paragraphs 9.15 to 9.18).
13. To adopt a capital estimate of £995,000 for the award of Disabled Facilities Grants, as outlined in paragraph 10.1, subject to funding being confirmed from within the Department of Health Personal Social Services capital grant.
14. To adopt a capital estimate of £550,000 in respect of Private Sector Improvement Grants, including Empty Property Grants, for 2014/15, to be financed from ring-fenced resources received from the East London Renewal Partnership (paragraph 10.2).

**Action by:****CORPORATE DIRECTOR, DEVELOPMENT AND RENEWAL (A. DALVI)**

(Senior Accountant (HRA) (K. Ball)

(Finance Manager (P. Leeson)

**Reasons for the decision**

The Mayor is required by the Local Government and Housing Act 1989 to determine a balanced Housing Revenue Account budget prior to the start of the new financial year. The Council must also approve the Management Fee payable to Tower Hamlets Homes so that it can fulfil its obligations under the Management Agreement to manage the housing stock on behalf of the Council.

In accordance with Financial Regulations, capital schemes must be included within the Council's capital programme, and capital estimates adopted prior to any expenditure being incurred. This report seeks the adoption of the necessary capital estimates for various schemes in order that they can be progressed.

**Alternative options**

The Council has a statutory duty to set a balanced HRA and provide Tower Hamlets Homes with the resources to fulfil its obligations under the Management Agreement. Whilst there may be other ways of delivering a

balanced HRA, the proposals contained in this report are considered the most effective, having regard to the matters set out in the report.

## **10.2 General Fund Capital and Revenue Budgets and Medium Term Financial Plan 2014-2017**

The **Mayor** noted the tabled paper and the response of the Overview and Scrutiny Committee. He also accepted two amendments, one to provide funding to increase the number of police officers in the borough and a second to increase the Council Tax Support Scheme awards.

### **DECISION**

1. Agree a General Fund Revenue Budget of £292.358m and a Council tax (Band D) at £885.52 for 2014-2015 be referred to Full council for consideration.

2. To note the following matters -

- a. Budget Consultation

The results of the feedback for the budget consultation are being collated but could not be completed prior to publication of this report as the second budget roadshow took place on the 27th January 2014. The results were presented as an addendum to this report.

- b. Funding

The funding available for 2014-2015 and the indications and forecasts for future years set out in Section 8.

- c. Base Budget 2014-2015

The Base Budget for 2014-2015 as £295.732m as detailed in Appendix 1.

- d. Growth and Inflation

The risks identified from potential inflation and committed growth arising in 2014-2015 and future years and as set out in Section 9 and in Appendix 3.

- e. General Fund Revenue Budget and Medium Term Financial Plan 2014-2015 to 2016-2017

The initial budget proposal and Council Tax for 2014-2015 together with the Medium Term Financial Plan set out in Appendix 1 and the budget reductions arising.

- f. Savings

Previously agreed savings items to be included in the budget for 2014-2015 and the strategic approach for future savings to be delivered are set out in Section 10, Appendix 4 and paragraph 7.13 of the report.

g. Capital Programme

The capital programme to 2016-2017; including the proposed revisions to the current programme as set out in section 14 and detailed in Appendices 8.1, 8.2 & 8.3.

h. Dedicated Schools Grant

The position with regard to Dedicated Schools Grant as set out in Section 12 and Appendices 6.1 & 6.2.

i. Housing Revenue Account

The position with regard to the Housing Revenue Account as set out in Section 13 and Appendix 7.

j. Financial Risks: Reserves and Contingencies

Advise on strategic budget risks and opportunities as set out in Section 11 and Appendices 5.1, 5.2 and 5.3.

k. Reserves and Balances

The position in relation to reserves as set out in the report and further detailed in Appendices 5.1 and 5.3

l. Mayor's Priorities

An initiative (Working Start for Women in Health and Childcare) to be included in the budget for 2014-15 is set out in paragraphs 8.29 to 8.36 of this report and a detailed proforma in Appendix 3.

3. To authorise officers to present two additional proposals to be submitted as part of the report to be considered at Council:

a. An initiative to fund an additional 20 police officers for the Borough.

b. To provide support to low income households who are already entitled to partial council tax support, by way of a £25 reduction against their remaining council tax liability in 2014/15"

**Action by:**  
**INTERIM CORPORATE DIRECTOR, RESOURCES (C. HOLME)**

**Reasons for the decision**

The Council is under an obligation to set a balanced budget for the forthcoming year and to set a Council Tax for the next financial year by 7th March 2014 at the latest. The setting of the budget is a decision reserved for Council. The Council's Budget and Policy Framework requires that a draft budget is issued for consultation with the Overview & Scrutiny Committee following this meeting to allow for due process.

The announcements that have been made about Government funding for the authority require a robust and timely response to enable a balanced budget to be set.

In deciding its budget, the Council needs to have regard to the key priority activities for delivery as set out in the Outline Strategic Plan.

**Alternative options**

The authority is bound to respond to the budget reductions to Government funding of local authorities and to set an affordable Council Tax and a balanced budget, while meeting its duties to provide local services. This limits the options available to Members. Nevertheless, the authority can determine its priorities in terms of the services it seeks to preserve and protect where possible, and to a limited extent the services it aims to improve further, during the period of budget reductions.

**11. ANY OTHER UNRESTRICTED BUSINESS CONSIDERED TO BE URGENT**

Nil items.

**12. UNRESTRICTED REPORTS FOR INFORMATION**

Nil items.

**12.1 Exercise of Corporate Directors' Discretions****DECISION**

1. To note the exercise of Corporate Directors' discretions as set out in Appendix 1.

**Action by:****INTERIM CORPORATE DIRECTOR, RESOURCES (C. HOLME)**

(Deputy Financial Planning Manager (R. Ebaretonbofa-Morah)

(Finance Officer (L. Stone)

**Reasons for the decision**

Financial Regulations requires that regular reports be submitted to Council/Committee setting out financial decisions taken under Financial Regulation B8.

The regular reporting of Corporate Director's Discretions should assist in ensuring that Members are able to scrutinise officer decisions.

### **Alternative options**

The Council is bound by its Financial Regulations (which have been approved by Council) to report to Council/Committee setting out financial decisions taken under Financial Regulation B8.

If the Council were to deviate from those requirements, there would need to be a 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 decisions made under the delegated authority threshold and to ensure that these activities are in accordance with Financial Regulations.

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

### **DECISION**

That pursuant to regulation 21(1)(b) of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000, the press and public be excluded from the remainder of the meeting:

- (a) As it was likely, in view of the nature of the business to be transacted in Section Two of the agenda, that if members of the public were present during consideration of this business there would be disclosure of exempt information.
- Exempt information is defined in section 100I and, by reference, Schedule 12A of the Local Government Act 1972 ("the 1972 Act"). To be exempt, information must fall within one of the categories listed in paragraphs 1 to 7 of Schedule 12A, must not fall within one of the excluded categories in paragraphs 8 and 9 and the public interest in maintaining the exemption must outweigh the public interest in disclosing the information.
  - Agenda item 16.1 "Mulberry Place and Proposed Civic Centre" contained information relating to the financial or business affairs of any particular person (including the authority holding that information). In particular information relating to the financial affairs of the Council.
  - Agenda item 19.1 "Young Person Substance Misuse Tender Award" contained information relating to the financial or business affairs of any particular person (including the authority holding that information). In particular information relating to the financial affairs of the Council.
  - Agenda item 19.2 "Award of Contracts for Various Social Care Services" contained information relating to the financial or business affairs of any particular person (including the authority holding that information). In particular information relating to the financial affairs of the Council.

- (b) As although there is a public interest favouring public access to local authority meetings, in this case the Cabinet concluded that given the information contained in the above listed reports that the public interest in maintaining the exemption on the information outweighed the public interest in disclosing it.

**14. EXEMPT / CONFIDENTIAL MINUTES**

Nil items.

**15. OVERVIEW & SCRUTINY COMMITTEE**

**15.1 Chair's Advice of Key Issues or Questions in Relation to Exempt / Confidential Business to be Considered.**

Nil items.

**15.2 Any Exempt / Confidential Decisions "Called in" by the Overview & Scrutiny Committee**

Nil items.

**16. A GREAT PLACE TO LIVE**

**16.1 Mulberry Place and Proposed Civic Centre**

The **Mayor** agreed the recommendations as set out in the report.

**17. A PROSPEROUS COMMUNITY**

Nil items.

**18. A SAFE AND COHESIVE COMMUNITY**

Nil items.

**19. A HEALTHY AND SUPPORTIVE COMMUNITY**

**19.1 Young Persons Substance Misuse Tender Award - Exempt Report**

**DECISION**

1. To note the content of the report.

**Reasons for the decision**

The reasons for the decision are set out with the Unrestricted Report earlier in the agenda.

**Alternative options**

The alternative options are set out with the Unrestricted Report earlier in the agenda.



**19.2 Award of Contracts for Various Social Care Services**

**DECISION**

1. To note the content of the report.

**Reasons for the decision**

The reasons for the decision are set out with the Unrestricted Report earlier in the agenda.

**Alternative options**

The alternative options are set out with the Unrestricted Report earlier in the agenda.

**20. ONE TOWER HAMLETS**

Nil items.

**21. ANY OTHER EXEMPT/ CONFIDENTIAL BUSINESS CONSIDERED TO BE URGENT**

Nil items.

**22. EXEMPT / CONFIDENTIAL REPORTS FOR INFORMATION**

Nil items.

The meeting ended at 7.13 p.m.

John S Williams  
SERVICE HEAD, DEMOCRATIC SERVICES