

Meeting of the

OVERVIEW & SCRUTINY COMMITTEE

Tuesday, 3 December 2013 at 7.00 p.m.

AGENDA

VENUE

**Room C1, 1st Floor, Town Hall, Mulberry Place, 5
Clove Crescent, London, E14 2BG**

Members:	Deputies (if any):
<p>Chair: Councillor Motin Uz-Zaman Vice-Chair: Councillor Rachael Saunders, (Scrutiny Lead, Adults Health & Wellbeing)</p>	<p>Councillor Tim Archer, (Designated Deputy representing Councillor David Snowdon) Councillor Khales Uddin Ahmed, (Designated Deputy representing Councillors Motin Uz-Zaman, Rachael Saunders, Helal Uddin, Abdal Ullah and Amy Whitelock) Councillor Harun Miah, (Designated Deputy representing Councillor Fozol Miah) Councillor Peter Golds, (Designated Deputy representing Councillor David Snowdon) Councillor Helal Abbas, (Designated Deputy representing Councillors Motin Uz-Zaman, Rachael Saunders, Helal Uddin, Abdal Ullah and Amy Whitelock) Councillor Judith Gardiner, (Designated Deputy representing Councillors Motin Uz-Zaman, Rachael Saunders, Helal Uddin, Abdal Ullah and Amy Whitelock)</p>
<p>Councillor Stephanie Eaton, (Scrutiny Lead, Resources)</p>	
<p>Councillor Fozol Miah</p>	
<p>Councillor Amy Whitelock Gibbs, (Scrutiny Lead, Children, Schools & Families)</p>	
<p>Councillor Helal Uddin, (Scrutiny Lead, Communities, Localities & Culture)</p>	
<p>Councillor Abdal Ullah, (Scrutiny Lead, Development & Renewal)</p>	
<p>Councillor David Snowdon, (Scrutiny Lead, Chief Executive's)</p>	
<p>1 Vacancy</p>	
<p>[Note: The quorum for this body is 3 voting Members].</p>	

Co-opted Members:

Memory Kampiyawo	– (Parent Governor Representative)
Nozrul Mustafa	– (Parent Governor Representative)
Rev James Olanipekun	– (Parent Governor Representative)
Mr Mushfique Uddin	– (Muslim Community Representative)
Dr Phillip Rice	– (Church of England Diocese Representative)
1 Vacancy	– (Roman Catholic Diocese of Westminster Representative)

Committee Services Contact:

Angus Taylor, Democratic Services,

Tel: 020 7364 4333 E-mail: angus.taylor@towerhamlets.gov.uk

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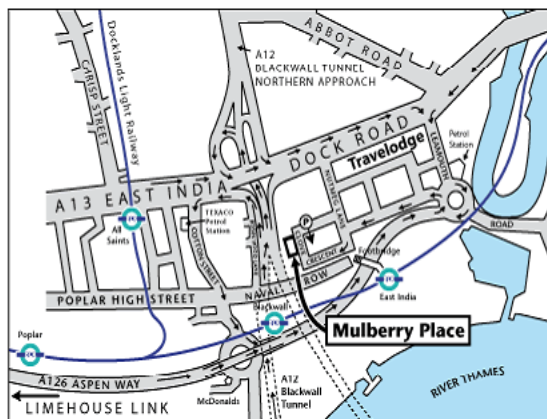
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LONDON BOROUGH OF TOWER HAMLETS
OVERVIEW & SCRUTINY COMMITTEE

Tuesday, 3 December 2013

7.00 p.m.

SECTION ONE

1. APOLOGIES FOR ABSENCE

To receive any apologies for absence.

	PAGE NUMBER	WARDS
2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTEREST	1 - 4	

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 Interim Monitoring Officer.

3. UNRESTRICTED MINUTES	5 - 24	
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To confirm as a correct record of the proceedings the unrestricted minutes of the meeting of the Overview and Scrutiny Committee held on 5th November 2013.

4. REQUESTS TO SUBMIT PETITIONS

To receive any petitions (to be notified at the meeting).

5. SCRUTINY SPOTLIGHT - MAYOR

To receive an oral presentation from Mayor Lutfur Rahman.

6. UNRESTRICTED REPORTS 'CALLED IN'

No decisions of the Mayor in Cabinet (6th November 2013) in respect of unrestricted reports on the agenda were 'called in'.

Whether any recent unrestricted decisions of the Mayor outside Cabinet, taken under executive powers, were "Called In" will be notified at the meeting.

**7. UNRESTRICTED REPORTS FOR
CONSIDERATION**

**7.1 Reference from Council - Watts Grove Depot Project
and financial mechanisms for Dame Colet House and
Poplar Baths projects**

Report to Follow - To consider the information presented in the report and prepare a response for submission to Council.

7.2 Reference from Council - Executive Mayor's Car

25 - 32

To consider the information presented in the report and prepare a response for submission to Council.

7.3 Budget Update

- To consider a verbal report on the 2014/15 Budget scrutiny process and note the presentation made.

8. VERBAL UPDATES FROM SCRUTINY LEADS

To receive an oral update from each of the Scrutiny Lead Members.

**9. PRE-DECISION SCRUTINY OF UNRESTRICTED
CABINET PAPERS**

To consider and agree pre-decision scrutiny questions/comments to be presented to Cabinet.

10. ANY OTHER UNRESTRICTED BUSINESS WHICH THE CHAIR CONSIDERS TO BE URGENT

To consider any other unrestricted business that the Chair considers to be urgent.

11. EXCLUSION OF THE PRESS AND PUBLIC

In view of the contents of the remaining items on the agenda the Committee is recommended to adopt the following motion:

“That, under the provisions of Section 100A of the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985, the press and public be excluded from the remainder of the meeting for the consideration of the Section Two business on the grounds that it contains information defined as Exempt in Part 1 of Schedule 12A to the Local Government Act, 1972.”

EXEMPT/CONFIDENTIAL SECTION (Pink Papers)

The exempt committee papers in the agenda 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.

SECTION TWO

12. EXEMPT/ CONFIDENTIAL MINUTES

To confirm as a correct record of the proceedings the exempt/ confidential minutes of the meeting of the Overview and Scrutiny Committee held on 5th November 2013.

13. EXEMPT/ CONFIDENTIAL REPORTS 'CALLED IN'

There were no decisions of the Mayor in Cabinet (6th November 2013) in respect of exempt/ confidential reports on the agenda, and therefore none eligible for 'Call In'.

Whether any recent exempt/ confidential decisions of the Mayor outside Cabinet, taken under executive powers, were "Called In" will be notified at the meeting.

14. EXEMPT REPORTS FOR CONSIDERATION

14 .1 Reference from Council - Watts Grove Depot Project and financial mechanisms for Dame Colet House and Poplar Baths projects

Report to follow - To consider the information presented in the report and prepare a response for submission to Council.

15. PRE-DECISION SCRUTINY OF EXEMPT/ CONFIDENTIAL) CABINET PAPERS

To consider and agree pre-decision scrutiny questions/comments to be presented to Cabinet.

16. ANY OTHER EXEMPT/ CONFIDENTIAL BUSINESS THAT THE CHAIR CONSIDERS URGENT

To consider any other exempt/ confidential business that the Chair considers to be urgent.

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Agenda Item 2

DECLARATIONS OF INTERESTS - NOTE FROM THE INTERIM 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 Interim 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 Interim Monitoring Officer following consideration by the Dispositions 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 Interim Monitoring Officer of the interest for inclusion in the Register.

Further advice

For further advice please contact:-

Mark Norman, Interim Monitoring Officer, 0207 364 4801

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 OVERVIEW & SCRUTINY COMMITTEE

HELD AT 7.04 P.M. ON TUESDAY, 5 NOVEMBER 2013

**ROOM C1, 1ST FLOOR, TOWN HALL, MULBERRY PLACE, 5 CLOVE
CRESCENT, LONDON, E14 2BG**

Members Present:

Councillor Motin Uz-Zaman (Chair)
Councillor Stephanie Eaton
Councillor Amy Whitelock Gibbs
Councillor Rachael Saunders (Vice-Chair)
Councillor David Snowdon
Councillor Helal Uddin
Councillor Abdal Ullah

Co-opted Members Present:

Memory Kampiyawo – (Parent Governor Representative)
Nozrul Mustafa – (Parent Governor Representative)
Rev James Olanipekun – (Parent Governor Representative)
Dr Phillip Rice – (Church of England Diocese Representative)

Other Councillors Present:

Councillor Ohid Ahmed – (Deputy Mayor)

Councillor Alibor Choudhury – (Cabinet Member for Resources)

Councillor Peter Golds – (Call In Member)

Councillor Denise Jones –

Councillor Rabina Khan – (Cabinet Member for Housing)

Guests Present:

Jamie Carswell – (Director of Investment, Tower Hamlets Homes)

Officers Present:

Agnes Adrien	– (Team Leader, Enforcement & Litigation, Legal Services, Chief Executive's)
Dave Clark	– (Acting Service Head Resources, Development and Renewal)
Ruth Dowden	– (Complaints Manager, Legal Services, Chief Executive's)
David Galpin	– (Head of Legal Services (Community), Legal Services, Chief Executive's)
Everett Haughton	– (Third Sector Programmes Manager, Third Sector Team, Development and Renewal)
Frances Jones	– (Service Manager One Tower Hamlets, Corporate Strategy and Equality Service, Chief Executive's)
Paul Leeson	– (Finance Manager, Development & Renewal)
Jackie Odunoye	– (Service Head, Strategy, Regeneration & Sustainability, Development and Renewal)
Louise Russell	– (Service Head Corporate Strategy and Equality, Chief Executive's)
Ann Sutcliffe	– (Service Head Strategic Property, Development and Renewal)
Alison Thomas	– (Private Sector and Affordable Housing Manager, Strategy Regeneration and Sustainability, Development and Renewal)
Paul Thorogood	– (Interim Service Head Finance and HR Development, Resources)
Angus Taylor	– (Principal Committee Officer, Democratic Services, Chief Executive's)

COUNCILLOR MOTIN UZ ZAMAN (CHAIR) IN THE CHAIR

1. APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of:

- Mayor Lutfur Rahman.
- Aman Dalvi (Corporate Director D&R) for whom Dave Clark (Acting Service Head Resources – D&R), Jackie Odunoye (Service Head Strategy Regeneration & Sustainability) and Ann Sutcliffe (Service Head Strategic Property) were deputising.
- Mr Chris Holme (Acting Corporate Director Resources) for whom Paul Thorogood (Interim Service Head Finance & Human Resources Development) was deputising.

Noted

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTEREST

Councillor Motin Uz Zaman declared an interest in Agenda item 5.1 “Call-in of Mayoral Executive Decision 042: Community Chest and Community Events Fund - Round 3”. The declaration of interest was made on the basis that an element of the Mayoral decision set out in the report and, Called In for consideration by OSC related to approval of a grant application from the Bangla Mirror (CE85) for a gala dinner to launch the annual “Who’s who” for the Bangladeshi community and Councillor Uz Zaman had attended such a gala dinner launch previously.

Noted.

3. UNRESTRICTED MINUTES

Matter Arising

The Chair informed OSC members that:

- At the last OSC meeting he had indicated that:
 - He would be inviting the Mayor to attend the next OSC meeting [5th November], for one of a series of ‘spotlight sessions’ during the year.
 - He would also be requesting the Mayor’s diary commitments on future scheduled OSC meeting dates, so as to identify an OSC meeting he could attend if he could not attend on 5th November.
- He had extended the invitation at Cabinet on 9th October and formalised this in a subsequent letter. Unfortunately the Mayor had declined the invitation, because of prior commitments and this was the fifth such declined invitation.
- The Chair had received no response to his written request for the Mayor’s diary sheets. The Chair considered that as the spotlight was intended to focus on the challenges and opportunities the Mayor foresaw for delivery of improved quality of life for local people in the year ahead, with the passage of time the spotlight theme would be less meaningful. Additionally the Chair felt that the Mayor’s attendance should be congruent with the 2013/14 OSC Work Programme and to determine this he required details of the Mayor’s diary commitments on other scheduled OSC meeting dates. He considered that this OSC request was important, and the diary sheets should have been provided, so with regret he considered that a Freedom of Information Act request for the diary sheets would be necessary, although this would be wasteful of Officers resources.
- Therefore, with OSC agreement, he intended to:
Invite the Mayor to the next OSC meeting [3rd December} for the spotlight session, but also to submit a Freedom of Information request for details of the Mayor’s diary commitments on future scheduled OSC meeting dates, should he not be able to attend the meeting on 3rd December.

The Chair **Moved** and it was:-

Resolved

That the unrestricted minutes of the ordinary meeting of the Overview and Scrutiny Committee, held on 1st October 2013, be agreed as a correct record of the proceedings, and the Chair be authorised to sign them accordingly.

Action by:

Angus Taylor (Principal Committee Officer, Democratic Services, CE's)

4. REQUESTS TO SUBMIT PETITIONS

There were no petitions.

5. UNRESTRICTED REPORTS 'CALLED IN'

The clerk informed OSC members that no unrestricted decisions of the Mayor in Cabinet on 9th October 2013 had been "Called In".

5.1 Call-in of Mayoral Executive Decision 042: Community Chest and Community Events Fund - Round 3

Councillor Motin Uz Zaman declared a personal interest in this agenda item earlier in the proceedings (see minute above – agenda item 2).

The OSC considered the report "Mayoral Executive Decision 'Call In' Decision Log No 42 - Community Chest and Community Events – Round 3" comprising of the report considered, and subsequent decision taken, by the Mayor on 9th October 2013 (Mayoral Executive Decision published on 10th October 2013), together with the reasons for "Call In"/ alternative course of action set out in the Call In requisition, signed by Councillors Peter Golds, Gloria Thienel, Dr Emma Jones, Tim Archer and Craig Aston, in accordance with the provisions of 4 of the Council's Constitution (Call In requisition presented 16th October and declared valid 18th October 2013).

The Chair welcomed: Councillor Peter Golds, one of five Councillors who had Called In the decision of the Mayor outside Cabinet and also Councillor Alibor Choudhury (Cabinet Member for Resources, Mr Dave Clark (Acting Service Head Resources Development and Renewal Directorate) and Mr Everett Haughton (Third Sector Programmes Manager) who were in attendance to respond to the "Call-in".

Councillor Golds presented the "Call-in": summarising the reasons for "calling in" the Mayoral Decision, outlining the key concerns of the "Call-in" Members, and setting out the action sought from the OSC to address these as follows: -

- Concern expressed on the lack of transparency in respect of the Mayor's decision making on this matter: The Mayor had considered the report and made his decision on 9th October, the day of a Cabinet meeting, but rather than making the decision in public at the meeting, the decision had been made outside Cabinet, under Executive Powers, and the report/ decision

published on 10th October. There appeared to be a developing pattern of important decisions being made in secret and published in a way intended to avoid observation.

- Concern expressed that the Mayor's judgement of priorities for funding was misplaced. Grant application CE86 from the Citizen's Advice Bureau (**CAB**) for a series of information events on welfare reform had been rejected. The application for £5,000 was small in the context of the approximate total of £8.75 million grant funding to date by the Mayor. The CAB provided an important cross community service for residents of Tower Hamlets, and although the Mayor emphasised his concern on welfare reform his decision indicated he was not sufficiently concerned. This contrasted with grant application CE85 from the Bangla Mirror (**BM**) for a gala dinner to launch the "Who's who" for the Bangladeshi Community, where grant of £5,000 had been sought and £4,500 granted by the Mayor. The BM appeared so certain of receiving funding, the application appeared to have been copied from the previous year as the application was for a 2012 "Who's who" not 2013. This also appeared to indicate a lack of forensic examination of applications by Officers before signing them off for recommendation to the Corporate Programmes Grant Board (**CPGB**).
- Concern expressed that there was a geographical imbalance in the allocation of grant funding by the Mayor with approximately £67,000 allocated to Millwall Ward (the most populous) and little given to the Bow Wards, in contrast to approximately £1.8 million for Whitechapel Ward and £1.9 million for Spitalfields and Banglatown Ward; the latter wards combined comprising a very significant tranche of the approximate total of £8.75 million grant funding.
- Concern expressed regarding the Mayor's rationale for funding some grant applications, and consideration that further scrutiny of grant allocations was needed. Media organisations that provided the Mayor's administration with unchallenging interviews and therefore an advertising platform, were funded here. Ofcom had recently censured Bangladeshi TV stations for illegal editorials, and not all residents watched Bangladeshi TV. The East London Mosque (**ELM**) was receiving more grant funding than any other organisation (approximately £394,000) and although important in the community, was also controversial: featuring in a recent national TV programme by Andrew Neil, and having invited the controversial Mufti Ismail Menk, who expounded offensive views (seen on "You Tube"), to speak there. Consideration therefore that taxpayer's money should be allocated to organisations that were representative of and beneficial to all the borough's residents.
- The Mayor was therefore requested to:
 - Reconsider his decision to grant funding to the organisations highlighted in the presentation of the Call In
 - Provide all Officer advice/ recommendations to the CPGB and where the Mayor's decision was taken contrary to/ varied this, the Mayor provide a full rationale.

Councillor Golds subsequently responded to questions from the OSC as follows:

- A geographical imbalance in grant allocations might result from a lack of applications from some areas, or applications that didn't meet the grant criteria, so was it fair to blame the Mayor/ Cabinet for this. *Decisions were solely those of the Mayor and if the Mayor made decisions contrary to Officer advice it was important to be provided with the rationale for this. It was also important to weigh the benefits of grant to the wider community in the context of acknowledged pockets of poverty across the borough.*
- Clarification was sought and given, as the ELM was not listed as an applicant for grant funding in the report. *Several of the organisations granted funding by the Mayor to date were based/ located at the ELM eg Al-Ishara (CE82). It was important to examine the destination of the grant funding as a whole, and for the outcomes to be of benefit to the wider community not just one area, even if the organisation's activities were a worthy cause [Al-Ishara for deaf/ hard hearing in Bangladeshi community] as others may have a different worthy cause they supported.*

Councillor Choudhury (Cabinet Member for Resources) responded to the concerns raised by the "Call-in" Members and subsequently responded to questions from the OSC summarised as follows:

- Response to Call In requisition:-
 - Summarised the amount of grant available and objectives/ criteria of the Community Events Grants Scheme:
 - Emphasised that the grant scheme and the purpose for which funding was available had been widely advertised on the Council's website and East End Life.
 - Outlined the robust nature of the Officer assessment process for such grant applications. Given that public money was being granted it was essential for applications to prove value for money and delivery of appropriate outcomes.
 - The CAB grant application (CE86) was for a series of on-going events whereas the grant criteria was for one off events, and consequently the application had not met the criteria for grant funding.
 - The BM grant application (CE85) was for a one off event that benefitted Tower Hamlets residents, with no complaints up to this point. The application had undergone the robust Officer assessment process and proved it could deliver the required outcomes of the grant scheme providing a celebratory event for Bangladeshi achievement relevant to the people of the borough.
 - The Bangla TV grant application (CE98) for a Mela, although having a Bangladeshi community focus was open to all residents, and a celebration of music and culture, and therefore met the criteria for the grant scheme.
 - The targeting of an application from Al-Ishara (CE82) in the Call In was particularly upsetting. Al-Ishara provided a valuable service for deaf/ hard hearing children and the event proposed for funding would benefit the community.
- Response to OSC Questions:-
 - The BM grant application (CE85) was for a regular gala dinner event that took place annually, was a networking event for a small

- element of the community. Was this not an outrageous use of public money, particularly in the context that funding for the LBTH Staff Awards event had been cut? The Conservative Party had used the 2011 “Who’s Who” to publicise a prominent PPC.
- Referencing para 1.2 of the Officer report appended to Mayoral Decision, clarification was sought as to why the Community Chest Programme was temporarily suspended pending a review. Also was there a Council policy on whether voluntary sector rather than private sector organisations should receive such grant funding? Officers had indicated funding should only be to VS organisations. *What was important was that appropriate outcomes were delivered to the community from the grant scheme, and whether the organisation delivering outcomes was VS or otherwise did not matter, provided the community benefitted. Total funding available for the Community Chest and Community Events fund was £688k over a rolling 2 years: 2012/14. The balance remaining was £92,595 (£11,500 for the Community Chest and £81,095k for the Community Events fund). With a total of 260 applications received it was important to examine the impact of grant funding to date and carefully assess the added value and consider the best way forward. A post within the recently restructured Third Sector Team responsible for data analysis would assist with this. The combining of the residual Community Chest fund (where the maximum grant is £10k) with the Community Events fund (where the maximum grant is £5k), was designed to optimise potential outcomes from the remaining funds. **The OSC requested the impact assessment and related criteria be provided in writing.***
 - Councillor Choudhury had previously presented the case for grant funding new organisations and the importance of funding them early in their development, was it not therefore inconsistent to reject the grant application of a new Somali organisation as reported here?
 - Given that the Morpeth Community Table Tennis Club grant application (CE88) for a 2 day table tennis festival followed by 8 coaching events had been deemed eligible for funding, was this not inconsistent with rejecting the CAB application (CE86) for 10 events because they were not a one off event? Consideration that this was overly harsh for the CAB and an improved perception of fairness needed.
 - Consideration that rejecting the CAB grant application, for not being a one off event, was inconsistent with funding the grant application from Bishops Way Community Centre for a homework club (CE83), which by definition was an on-going activity. *The grant applications CE88 and CE83 were not comparable and granted / rejected according to the criteria, and the CAB had been granted significant funding for its activities under the Mainstream Grant scheme (MSG).*

Councillor Golds and Councillor Choudhury withdrew from the meeting room at the commencement of OSC deliberations on referral/ non-referral of the "Call In", being 7.40pm.

A discussion then followed which focused on the following points:-

- Consideration that the geographical imbalance in the allocation of grant funding between East/West and North/ South was a matter the Fairness Commission should examine, as no matter where residents lived in the borough they should have equal access to service provision. **The OSC requested 2 maps indicating the location of applicant organisations and those which had been successful.**
- Consideration that the decisions made on the grant applications reported were inconsistent:
 - Green Candle Dance Company (CC160) granted funding for computers however the Association Ayoka Project (page 38), an African drum/ dance project, had not received funding for computers as this was "out of scope for funding". Consideration therefore that the basis for awarding funding required further scrutiny.
 - If some applications were rejected for not being one off events, why were other applications which were not one offs granted funding.
- Consideration that some of the grant applications recommended by Officers provided a showcase/ platform for the Administration to receive the appreciation of the local Bangladeshi community, and these events were also used for circulating publicity material and electioneering. This was not good use of public money and it was important for Officers to engage in a more robust assessment of grant applications/ schemes as the 2014 Mayoral and Local elections approached.
- Consideration that the reported rationale for the award and rejection of grant applications was insufficiently detailed and it was therefore difficult to judge the consistency of the decision making. However several apparent inconsistencies had already been highlighted. Consideration also that because no Officer advice/ recommendations regarding the grant applications had been published, so there was also a lack of transparency in the decision making process. **The OSC requested that Officer advice/ recommendations to the CPGB in relation to the grant applications be provided for its information and where the Mayoral Decision was contrary to this a full rationale was provided for the decision.**
- Consideration that there had been a lack of transparency on the process for applying for grant under the scheme, and residents seeking funding for estate based projects had relayed their frustration about this to Councillors.
- Commented that the criteria and priorities for this grant scheme had not been published where they were easily found nor circulated. The questions on the application form were very general and provided insufficient detail to form a view on the merits of the applications. The opacity of the Mayors decision making here was of concern given that when the opacity of the MSG process clarified the decisions were of great concern.

- Consideration that there was a lack of transparency in the decision making on the grant applications and it should have been made in public at the Cabinet meeting on 9th October. Where possible such decisions should be taken in public and issues such as those being raised in the Call In could be taken into account at the time the decision was made.
- Consideration that the funding of a homework club by a community centre under this grant scheme was probably unnecessary as schools could provide this and probably received funding to do so.
- Consideration that funding for the ELM had been controversial the previous year and it would be helpful for the OSC to be informed which organisations were based there and how much funding they were receiving from the Council.
- Consideration that the Al-Ishara grant application (CE82) had been unfairly targeted by the Call In and it should not be maligned just because it was based at the ELM. The London Muslim Centre may be controversial but Al-Ishara was independent of ELM management and provided a valuable service to the community.

The Chair summarised that the OSC considered that the decision of the Mayor outside Cabinet should be referred back to the Mayor for further consideration for the reasons detailed above and outlined below:

- Inconsistency in the decision making on the grant applications.
- Lack of clarity and sufficiency in the response of the Cabinet Member for Resources to the Call In and associated OSC questions.
- Lack of transparency in respect of the application process and criteria/priorities for this grant scheme. These had not been published where they were easily found nor circulated.
- Officer advice/ recommendations to the CPGB had not been published, which compounded the lack of transparency in the decision making process. The OSC formally requested this now be provided for its information and also provided with future such reports. Also a rationale to be provided where the Mayor's decision was contrary to/ varied Officer advice/ recommendations to the CPGB.
- Consideration that there was a geographical imbalance in the allocation of this grant funding between East/West and North/ South of the borough and the Mayor should ensure a fair grant allocation across the borough so all residents benefitted not just some areas. The OSC requested 2 maps indicating the location of applicant organisations and those which had been successful.

The Chair also summarised that the OSC had requested a further report for its consideration on the overall impact of the Community Chest and Community Events Grants Programme, including impact assessment and related criteria, monitoring mechanisms. The Chair then **Moved** and it was:-

Resolved

1. To refer the decision of the Mayor outside Cabinet back to the Mayor for further consideration for the reasons detailed above.

2. That a further report be presented for future OSC consideration on the overall impact of the Community Chest and Community Events Grants Programme.

Action by:

Angus Taylor (Principal Committee Officer, Democratic Services, CE's) [Resolution 1]
Dave Clark (Acting Service Head Resources D&R) [Resolution 2]
Everett Haughton (Third Sector Programmes Manager, D&R) [Resolution 2]

Councillor Choudhury returned to the proceedings following OSC deliberations on referral/ non-referral of the "Call In". Councillor Golds also returned later in the proceedings.

6. **SCRUTINY SPOTLIGHT - DEVELOPMENT AND RENEWAL DIRECTORATE**

Councillor Rabina Khan, Cabinet Member for Housing, gave a detailed presentation (PowerPoint slides **Tabled**, a copy of which would be interleaved with the minutes), focusing on Decent Homes and challenges/ opportunities for housing in the borough. Jackie Odunoye (Service Head Strategy Regeneration & Sustainability), Alison Thomas (Private Sector & Affordable Housing Manager) and Jamie Carswell (Director of Investment Tower Hamlets Homes) were also in attendance for this item. The following points were highlighted:-

- THH Decent Homes (**DH**) -£94 million funding secured (second largest allocation nationally and programme progressing. The 2010 DH pilot achieved 802 against target 771 decent homes. Programme now being managed differently to optimise community benefits via local economy (examples given eg sponsorship work on TH Foodbank). Work with Registered Providers (**RPs**) on DH outlined including improvement needed on East End Homes estates at Island Gardens Mile End and Poplar HARCA at East India.
- Progress on Housing Choice promises
- Revised Lettings Allocations scheme approved and implemented - simpler for residents to understand and sanctions to discourage bids/ subsequent offers/ no move.
- Highest number of affordable homes built and New Homes Bonus in country - Council nominated for awards.
- Funding approved for 2 new Council housing schemes -? and Blake Way.
- Homeless Statement approved. Welfare reform impacting on homelessness - £2.2million invested in temporary housing so people not homeless but living in Tower Hamlets
- Overcrowding and Under occupation measures taken forward – pensioners not affected by benefit cap so Council working with partners on bespoke solution to address this. Under occupancy reduced from 2000 households to 1300 under current Lead Member term.

- Highly proactive response to welfare reform in place – other councils seeking to follow this good practice.
- Local Plan and Managing Development Document taken forward – pioneering “pod analysis” being used as basis for joint Judicial Review undertaken with neighbouring boroughs.
- Challenges included:-
 - Welfare Reforms
 - Decent Homes target
 - Overcrowding and homelessness
 - Building new Council & social/affordable housing
 - Fuel Poverty
 - Project 120 – Council/ RPs working to address housing needs of residents with complex disabilities and medical problems.

A comprehensive discussion followed, which focused on the following points:

- Welcomed the Lead Member’s highlighting of partnership working with RPs in contrast to the Mayor’s recent criticism of them. *It was the duty of the Mayor and Lead Member for Housing to praise RPs or hold them to account as appropriate, and the Lead Member did so eg writing to the HCA on the failings of the Guinness Housing Association.*
- Clarification/ assurance sought and given on the mechanism used to prioritise blocks for Decent Homes, given anecdotal information of some blocks being favoured for priority, particularly in the context of the forthcoming 2014 Mayoral and Local Government elections. *Blocks were prioritised for DH on the basis of stock condition surveys undertaken by the Council together with the logistics of the managing the DH Programme. The DH Programme must be completed to timescale or face losing GLA funding.*
- Clarification sought as to whether Tower Hamlets Homes (THH) staff attended households in the late evening to resolve housing issues. *Yes, examples cited.*
- Clarification sought and given regarding recent TV adverts promoting the DH Programme and the associated process for residents to phone to ascertain when DH works were scheduled for their block. What was the process? What data was captured? What feedback was made to residents? What was the cost of this process? What advertising was being undertaken for residents that did not watch ethnic community TV or were not ICT fluent? What was the ethnic breakdown of residents responding to the adverts? How quickly were enquiries dealt with and would a site visit by the Scrutiny Lead Member be possible to identify if turnarounds could be matched elsewhere in the Council? *A map on the THH website updated weekly as the DH Programme changed allowed residents to identify when DH works would be undertaken also drop in sessions and Section 20 consultation. Residents were given a telephone number to call and a response was made to tenants within 2 days, emails were responded to standard response timescales. THH was not aware of commercial TV adverts on this matter. The Chair Noted that the Lead Member for Housing had agreed that a site visit by the Scrutiny Lead*

- Member for Development & Renewal to the Call Centre dealing with responses to the TV adverts discussed earlier would be facilitated.
- Concern expressed that THH was unaware of the TV adverts. OSC formally requested information on the commissioning process for the adverts. Clarification also sought as to whether a letter in response to resident enquiries to the number advertised promoted the achievements of the Mayor. Was the Lead Member and relevant Service Head aware of the adverts promoting DH programme and the response letters to residents promoting the achievements of the Mayor before the OSC meeting? Who had approved expenditure for the initiative and whose idea was it? *Councillor Khan and Ms Odunoye had been aware of the adverts. Ms Odunoye had not been aware of the response process for resulting phone enquiries. Councillor Khan undertook to provide a briefing note to OSC on all the information requested.*
 - Clarification sought and given as to the source of the £94 million funding secured for the DH Programme and whether the funding had been earmarked by the Labour Government. *When the Coalition Government had been formed councils with outstanding DH schemes outstanding were asked to rebid for available DH funding, with new competing bids permitted. LBTH had bid for a higher figure but had not secured all funding sought as with other councils. DH figures had been discussed with civil servants under the Labour Government, but a sum had not been allocated as LBTH had been in the last round for funding.*
 - Clarification sought and given as to what action could be taken to mitigate the unaffordable private rented housing market. Also the current position on empty homes. *The Council had limited regulatory functions for this sector comprising 38% of homes in the borough. It was working with other east London councils and the better landlords to address the significant rise in numbers of homeless previously living in private rented property. Work to provide grant to landlords to bring empty properties into use for people on the Housing Waiting list and action by Environmental Health officers to address health and safety concerns in private sector properties.*
 - Clarification sought and given as to the changing balance in the affordable housing market, including impact of changes in Section 106 resources for such schemes. *There was a trend for groups of affluent professionals to rent former Right to Buy property.*
 - Clarification/ assurance sought and given as to the average expenditure per DH home: whether this was comparable with other London boroughs and provided value for money. THH was confident that competitive rates had been achieved from contractors undertaking DH works and the supply chain was being managed to achieve cost savings. Quality assurance mechanisms were also outlined.
 - Clarification/ assurance sought and given as to how THH provided support to residents experiencing problems with DH contractors.

The Chair **Moved** and it was:-

Resolved

1. That the information given in the scrutiny spotlight presentation/s, be noted.
2. That a further report be presented for future OSC consideration on the TV adverts promoting the DH Programme, and related issues raised by the OSC.

Action by:

Jackie Odunoye (Service Head Strategy Regeneration & Sustainability, D&R)
Alison Thomas (Private Sector & Affordable Housing Manager, D&R)

7. SCRUTINY SPOTLIGHT - MAYOR

The Scrutiny Spotlight did not proceed as Mayor Lutfur Rahman had been unable to attend.

8. UNRESTRICTED REPORTS FOR CONSIDERATION

8.1 Reference from Council - Watts Grove Depot Project

Please note that a significant element of OSC deliberations relating to this item of business took place in Part Two of the proceedings or “closed session” (Exempt/ Confidential Section of the agenda), for the reasons outlined by the Chair below. However, for ease of reference, the deliberations/ decision taken that pertain to the unrestricted report are set out below in the order detailed in the agenda.

The Chair informed the OSC that the report comprised of two parts: an unrestricted report now before the OSC for consideration, and several appendices thereto which contained exempt/ confidential information, the consideration of which was required in “closed session” (Exempt/ Confidential Section of the agenda: agenda Item 15.1). After an initial introduction of the unrestricted report and any discussion thereof in “open session”, it would therefore be necessary to exclude the public and press during consideration of the exempt/ confidential appendices. However he considered it was important that as much of the discussion as possible took place in “open session”.

Councillor Rabina Khan (Cabinet Member for Housing) and Councillor Alibor Choudhury (Cabinet Member for Resources) in introducing the report, which provided:-

- An explanation of why this matter had been referred to OSC to investigate and report back to full Council.
- All relevant information on the matter to enable OSC to undertake full scrutiny of the issues and reach an informed conclusion as requested by OSC (October meeting).

summarised the salient points contained therein and highlighted key points for the information of the OSC. Ann Sutcliffe (Service Head Strategic Property), Dave Clark (Acting Service Head Resources D&R), Paul Leeson (Finance Manager D&R), Paul Thorogood (Interim Service Head Finance & HR Development) were also in attendance for this item.

The following points were highlighted:-

- The Mayor had found it particularly difficult to take the decision not to proceed with the scheme to redevelop Watts Grove Depot, the way it had been structured. He considered that changed circumstances made the scheme unsustainable:
 - The Council's financial position had changed during the procurement process due to Government Policy, in particular the Comprehensive Spending Review announced in June 2013 resulting in less funding for the Council, and also the announced reduction in funding through the New Homes Bonus.
 - The costs of the first model for delivering the Watts Grove Depot scheme had risen significantly from the first stage of the process (when they were benchmarked) to the point final bids had been received.
 - If the scheme had proceeded as originally planned this would have impacted on the Budget, and significant and continued compensatory savings would have been required which were considered likely to impact on the Council's delivery of frontline services.
 - However the Mayor and the Cabinet Member for Housing continued to examine ways to deliver the scheme and in particular the 4000 new homes it had been expected to deliver.
- The Dame Colet House and Poplar Baths schemes had been developed on a different model designed to give cost certainty to the Council in uncertain financial times with any cost fluctuation falling on the developer. Both involved the lease of Council land for 35 years and were a way of bringing back a grade II listed building into community use as well as delivering new homes. The schemes had been agreed some time ago, with adequate capital and revenue funding set aside in the Budgets agreed by full Council over the past two years.

A comprehensive discussion followed which focused on the following points:-

- Clarification sought as to the Officer rationale for recommending Bidder A / Bidder C as a reserve and recommending progressing the procurement process to the final stage. Clarification also sought and given as to the rationale for the Mayor's decision contrary to this advice. *The Government Comprehensive Spending Review had taken place in June and the Mayor's decision made in July after a month's consideration. The Mayor had been concerned at the loss of Government funding and how this would impact on delivery of the scheme or collaterally. The decision was an objective one based on financial prudence.*
- In the context of Corporate Director Development & Renewal sign off of the scheme in mid-June, and Corporate Director of Resources sign off in mid-July, Clarification sought and given as to what the Mayor elicited from discussions with Officers to determine in mid- July that their advice had been erroneous. *Ultimately the final decision was for the Mayor, and he*

considered that the scheme should not proceed in the context of the Council's financial position.

- Commented that Government reduction of funding to the Council had been anticipated and significant resources (money and Officer time) already expended to progress the scheme, so clarification sought as to the change in circumstances resulting in the Mayor's decision not to proceed, Noting the Lead Member comments that delivery models for Watts Grove and Dame Colet/ Poplar Baths were very different, commented that Watts Grove would also have delivered significant numbers of new homes so was the difference the sentimental value of returning Poplar Baths to use.? *The Poplar Baths scheme had been approved a long time previously when the Council's financial position was very different. The Watts Grove Depot scheme was .no longer financially sustainable and the Mayor had acted prudently in halting further progression of it. Given that the Mayor's opponents continually highlighted the large impending Budget Gap for the Council such financial prudence should be welcomed not criticised. The Council had a number of regeneration schemes underway which would deliver new homes eg Ocean Estate. The Poplar Baths and Haileybury schemes would deliver new homes in addition to other beneficial outcomes for the community. Watts Grove Depot was different, however the Administration was looking at alternative delivery vehicles for it eg partnership working with RSLs. However if RSLs accepted grant funding for such a scheme they would be required to charge 80% rent, which local residents could not afford. This highlighted the importance of maintaining the Councils own housing stock.*
- Clarification sought as to the rationale for the 35 year lease element of the Watts Grove Depot proposal. Did this result in an automatic right to buy the freehold for the land at the end of the period? OSC requested a **briefing note be circulated to all OSC members.** *Ownership of the land had not been a driver in this matter as it had been proposed that the land transfer back to the Council at the end of the period, effectively a lease-back.*
- Commented that many local residents would be greatly disappointed at the loss of new homes resulting from scrapping the Watts Grove Depot scheme, particularly in Bromley by Bow Ward. Consideration therefore that it would be appropriate for the Cabinet Member for Housing to accompany ward councillors to convey the rationale for scrapping the scheme and apologise for this. *Councillor Khan, Cabinet Member for Housing responded that she would be amenable to such a ward visit. The Administration continued to look at alternative ways to deliver the outcomes of the Watts Grove Depot scheme.*

The Chair **Moved** and it was:-

Resolved

That the contents of the report be noted.

Action by:

Ann Sutcliffe (Service Head Strategic Property, D&R) [OSC request for briefing note]

Please note that the remainder of the OSC deliberations relating to this item of business took place in Part Two of the proceedings or “closed session”. Please see summary of exempt proceedings at the foot of the minutes.

8.2 Covert investigation under the Regulation of Investigatory Powers Act 2000

David Galpin, Head of Legal Services (Community), introduced and summarised key points in the report, which provided information concerning the Council’s authorisation of investigations (where directed surveillance or use of a covert intelligence source had been necessary), connected with targeted enforcement action it had undertaken relating to its broad statutory functions, under the provisions of the Regulation of Investigatory Powers Act 2000 (RIPA). The Act recommended that elected Members had oversight of the Council’s use of its provisions.

The Chair noted that Councillor Ohid Ahmed (Deputy Mayor) was not present for this item, nor agenda item 8.3, both of which fell within the purview of his portfolio. His attendance would have been helpful in answering any questions OSC members might have had and he had not sent any apologies for his absence.

A discussion followed, which focused on the following points:

- Welcomed the significantly reduction in the Council’s use of covert surveillance powers and the positive impact of this on collateral surveillance of the community.
- Clarification sought and given as to whether any applications to the court for approval of directed surveillance or use of a covert intelligence source under the provisions of RIPA had been rejected. *No.*
- Clarification sought and given as to whether applications under the provisions of RIPA had also made by other service providers such as Registered Social Housing Providers (RPs) and the Metropolitan Police, as this information had not been provided despite Member’s requests. *Such organisations would have to follow a similar process to that of the Council if they wished to undertake covert investigations. The Council would share equipment and expertise to enable its partners to undertake approved investigations. Mr Galpin undertook to request the information from the Police on behalf of the OSC.*

The Chair **Moved** and it was:-

Resolved

That the contents of the report be noted.

Action by:

David Galpin (Head of Legal Services [Community], CE's)

8.3 Complaints and Information Governance Annual Report

David Galpin, Head of Legal Services - Community, introduced, and highlighted key points, in the report which provided:

- Details of the volume of complaints and information requests received by the Council in the period 1 April 2012 to 31 March 2013, the outcomes of those cases and the standard of performance in dealing with them.
- Appended the Local Government Ombudsman Annual letter 2012/13 which reflected the outcome of consideration of complaints it had received in relation to Tower Hamlets.

A discussion followed which focused on the following points:-

- Commented that given the Council's recent introduction of charges for bulk waste collection the number of collections was thought to be falling, and therefore a 34% rise in Stage 1 complaints relating to bulk collection (mainly due to missed collections) was statistically significant. Mr Galpin undertook to re-examine the statistical significance.

The Chair **Moved** and it was:-

Resolved

That the contents of the report, including Appendices 1 and 2, be noted.

Action by:

David Galpin (Head of Legal Services – Community, Legal Services, CE's)

9. VERBAL UPDATES FROM SCRUTINY LEADS

Scrutiny Lead Member Resources – Cllr Eaton

Officers had met with Councillor Eaton to formulate the process for OSC scrutiny of the Council's Budget in early 2014. The Chair requested that Councillor Eaton **provide him with an outline of the OSC Budget process that she had formulated with Officers, so this could be formally agreed.**

Resolved

That the verbal update be noted.

Action by:

Frances Jones (One Tower Hamlets Service Manager, Corporate Strategy & Equality Service, CE's)

10. PRE-DECISION SCRUTINY OF UNRESTRICTED CABINET PAPERS

No pre-decision questions submitted to the Mayor in Cabinet [06 November 2013].

11. ANY OTHER UNRESTRICTED BUSINESS WHICH THE CHAIR CONSIDERS TO BE URGENT

Reference from full Council 18 September 2013 - Executive Mayor's Car

The Chair informed OSC members that it had previously agreed (October meeting) to place this matter on the agenda for consideration at the November OSC. However due to the receipt of the Call In requiring urgent consideration, and the full programme of other business, he had considered that the business for the November meeting had become over-programmed and it would be more appropriate for the OSC to consider the matter at its December or January meeting and report to full Council in January 2013.

Action by:

Angus Taylor (Principal Committee Officer, Democratic Services, CE's)

12. EXCLUSION OF THE PRESS AND PUBLIC

The Chair **Moved** and it was: -

Resolved:

That in accordance with the provisions of Section 100A of the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985, the press and public be excluded from the remainder of the meeting for the consideration of the Section Two business on the grounds that it contained information defined as exempt or confidential in Part 1 of Schedule 12A to the Local Government, Act 1972.

SUMMARY OF EXEMPT PROCEEDINGS

13. EXEMPT/ CONFIDENTIAL MINUTES

Nil items.

14. EXEMPT/ CONFIDENTIAL REPORTS 'CALLED IN'

Nil items.

15. EXEMPT REPORTS FOR CONSIDERATION

15.1 Reference from Council - Watts Grove Depot Project

Following a discussion the OSC agreed to defer the remaining consideration of this matter and all decisions until the next OSC (03 December).

16. PRE-DECISION SCRUTINY OF EXEMPT/ CONFIDENTIAL) CABINET PAPERS

Nil items.

17. ANY OTHER EXEMPT/ CONFIDENTIAL BUSINESS THAT THE CHAIR CONSIDERS URGENT

Nil items.

The meeting ended at 10.00 p.m.

Chair, Councillor Motin Uz-Zaman
Overview & Scrutiny Committee

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Agenda Item 7.2

Committee: Overview and Scrutiny Committee	Date: 3 December 2013	Classification: Unrestricted	Report No:
Report of: Service Head, Democratic Services Originating officer(s) Matthew Mannion, Committee Services Manager	Title: Reference from Council – Executive Mayor’s Car Wards Affected: All Wards		

1. **SUMMARY**

- 1.1 At its meeting on 18 September 2013, Council considered a report on the business case and value for money discerned from the retention of the Mayor’s private car.
- 1.2 After a short debate, Council resolved that it would be appropriate to request that the Overview and Scrutiny Committee review the report and the issues involved. Any report back to Council would be considered on 27 November 2013.
- 1.3 The request was considered at the Overview and Scrutiny Committee meeting on 1 October and it was agreed. Members further requested that officers draw up a detailed report on the issues to be considered and that report, along with the report to Council is attached as an appendix to this reference report.

2. **RECOMMENDATIONS**

The Overview and Scrutiny Committee is recommended to:-

- 2.1 Review the attached reports on the issue and prepare a response for submission back to Council on 27 November 2013.

3. BACKGROUND

3.1 The Overview and Scrutiny Procedure Rules as set out in Part 4 of the Constitution entitles the Committee to consider work requests submitted by Council. Should the Overview and Scrutiny Committee decide to accept the request then it can submit a report containing their recommendations back to Council for them to consider at their next meeting. The relevant paragraph of the Overview and Scrutiny Procedure Rules is set out below for information.

9.2 The Overview and Scrutiny Committee shall also respond, as soon as its work programme permits, to requests from the Council and if it considers it appropriate the Mayor or Executive to review particular areas of Council activity. Where they do so, the Overview and Scrutiny Committee shall report their findings and any recommendations back to the Mayor/Executive and/or Council. The Executive shall consider the matter at one of its next two meetings following receipt of the report. If the matter is relevant to the Council only then will they consider the report at their next meeting.

4. BODY OF REPORT

4.1 The report presented to Council is attached to this reference report as Appendix 1. A more detailed officer report is attached as Appendix 2.

4.2 The Overview and Scrutiny Committee are therefore requested to review the reports and to prepare a report back to Council containing their considered views and recommendations on the issues concerned.

5. COMMENTS OF THE CHIEF FINANCIAL OFFICER

5.1 All relevant financial matters are set out in the attached appendix report.

6. LEGAL COMMENTS

6.1 All relevant legal matters are set out in the attached appendix report.

7. ONE TOWER HAMLETS CONSIDERATIONS

7.1 Any relevant matters are set out in the attached report.

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

8.1 Any relevant matters are set out in the attached report.

9. RISK MANAGEMENT IMPLICATIONS

9.1 Any relevant matters are set out in the attached report.

10. CRIME AND DISORDER REDUCTION IMPLICATIONS

10.1 Any relevant matters are set out in the attached report.

11. EFFICIENCY STATEMENT

11.1 Any relevant matters are set out in the attached report.

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

Brief description of “background papers”	Name and telephone number of holder and address where open to inspection.
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To be completed by author

To be completed by author ext. xxx

None

Matthew Mannion Ext 4651

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LONDON BOROUGH OF TOWER HAMLETS

COUNCIL MEETING

WEDNESDAY 18th SEPTEMBER 2013

**REPORT IN RELATION TO THE
EXECUTIVE MAYOR'S CAR**

**REPORT OF THE ACTING CORPORATE DIRECTOR,
RESOURCES**

1. INTRODUCTION

- 1.1 Full Council, on 26th June 2013, requested that the Council's Section 151 Officer review the business case and public value for money discerned from the retention of the Mayor's private car and provide a report back to the next full Council meeting.

2. RECOMMENDATIONS

- 2.1 That the Council note the report in relation to the Executive Mayor's car.

LOCAL GOVERNMENT ACT, 1972 (AS AMENDED) SECTION 100D

***LIST OF "BACKGROUND PAPERS" USED IN THE PREPARATION OF
THIS REPORT***

Background paper	Name and telephone number of and address where open to inspection
None	n/a

3. BACKGROUND

- 3.1 This report is presented to Council in response to a series of resolutions tabled at the 26th June 2013 full Council, whereby it was resolved that the Council's S151 Officer be required "to review the business case and public value for money discerned from the retention of the Mayor's private car and report back to the next full Council meeting".
- 3.2 The decision to provide suitable transport facilities for the Executive Mayor, and separate arrangement for the Chair of the Council was made in 2011 following a detailed options appraisal. That decision was taken after it was deemed existing arrangements were unsuitable to enable the Mayor to carry out his increasing range of meetings in venues around the Borough, and following a decision of full Council in October 2010 that precluded the Executive Mayor from having access to the former Mayoral car and chauffeur.
- 3.3 The options appraisal incorporated the following considerations;
- Council owned/leased vehicle and employment of a driver
 - Car hire and chauffeur on a contract basis as required
 - Hire of taxis as required,
- It concluded that the two posts of Executive Mayor and Chair of the Council had distinct transport requirements and sharing a single vehicle between the two posts would not be suitable for operational reasons. Given this conclusion and taking account both the options appraisal presented to him, and being mindful of what Council had resolved, the Mayor, in his executive capacity, determined the current transport arrangements. That determination took account of the number of engagements, use of mayor's time, and existing staffing arrangements
- 3.4 The executive decision was made for the Council to lease a vehicle and retain employment of the existing driver.

4. CONSIDERATION

- 4.1 The costs of the Executive Mayor's car have been analysed to identify both fixed and variable costs. Fixed costs are deemed to be employee costs, vehicle lease and insurance, with the variable costs fuel. The car was leased in accordance with the Council's financial regulations.
- 4.2 The total cost of the Executive Mayor's car is approximately £42,300 per annum, although this may vary based on usage. Over 90% of the costs are fixed.
- 4.3 Determination of the Mayor's transport arrangements is an executive function and this decision was based on a detailed options appraisal as outlined above.

- 4.4 This review has concluded that the rationale for the original 2011 decision has not changed, and furthermore there would be costs associated with changing the existing arrangements if the Mayor felt that was appropriate.
- 4.5 This review has also identified that these transport arrangements for the Executive Mayor are not unique, and based on information available from elsewhere that annual costs, as outlined in paragraph 4.2 above are deemed comparable.

5. LEGAL COMMENTS

- 5.1 The Council may put in place arrangements to support delivery of the Executive Mayor's functions under Part 1A of the Local Government Act 2000 and related legislation. The making of such arrangements is an executive function.
- 5.2 The Council is subject to a best value duty under section 3 of the Local Government Act 1999 to "make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness".
- 5.3 The present report is provided on a noting basis and offers an opportunity for the council to scrutinise the arrangements in place in relation to the Executive Mayor's car.

6 COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 6.1 This report describes the finance review of the costs of the Executive's Mayor's car and the financial implications are included in the report.

7. ONE TOWER HAMLETS CONSIDERATIONS

- 7.1 There are no One Tower Hamlets implications arising from the recommendation.

8. RISK MANAGEMENT

- 8.1 There are no direct risk management actions arising from this report.

9. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 9.1 There are no specific implications arising from the recommendation.

10. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 10.1 The content of this report has no implications for crime and disorder reduction.

11. EFFICIENCY STATEMENT

- 11.1 The report sets out how the current transport arrangements contribute to the efficient use of time for the Executive Mayor in fulfilling his duties.

Agenda Item 12

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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