

**LONDON BOROUGH OF TOWER HAMLETS**

**RECORD OF THE DECISIONS OF THE CABINET**

**HELD AT 5.31 P.M. ON WEDNESDAY, 23 JULY 2014**

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

**Members Present:**

Mayor Lutfur Rahman	
Councillor Oliur Rahman	(Deputy Mayor and Cabinet Member for Economic Development (Jobs, Skills and Enterprise)
Councillor Ohid Ahmed	(Cabinet Member for Community Safety)
Councillor Shahed Ali	(Cabinet Member for Clean and Green)
Councillor Abdul Asad	(Cabinet Member for Adult Services)
Councillor Alibor Choudhury	(Cabinet Member for Resources)
Councillor Shafiqul Haque	(Cabinet Member for Culture)
Councillor Rabina Khan	(Cabinet Member for Housing and Development)
Councillor Aminur Khan	(Cabinet Member for Policy, Strategy and Performance)
Councillor Gulam Robbani	(Cabinet Member for Children's Services)

**Other Councillors Present:**

Councillor Denise Jones  
Councillor Joshua Peck

**Officers Present:**

Andy Bamber	(Service Head Safer Communities, Crime Reduction Services, Communities, Localities and Culture)
Dr Somen Banerjee	(Interim Director of Public Health, LBTH)
Kate Bingham	(Service Head, Resources, Education Social Care and Wellbeing)
Mark Cairns	(Senior Strategy, Policy and Performance Officer)
Ben Gadsby	(Political Adviser to the Conservative Group)
Stephen Halsey	(Head of Paid Service and Corporate Director Communities, Localities & Culture)
Chris Holme	(Acting Corporate Director - Resources)
Shazia Hussain	(Service Head Culture, Learning and Leisure, Communities Localities & Culture)
Kevin Kewin	(Service Manager, Strategy & Performance, Chief Executive's)
Ellie Kuper-Thomas	(Strategy, Policy and Performance Officer - Executive Mayor's Office, One Tower Hamlets, DLPG)
Robert McCulloch-Graham	(Corporate Director, Education Social Care and Wellbeing)
Niall McGowan	(Housing Regeneration Manager)

Jackie Odunoye	(Service Head, Strategy, Regeneration & Sustainability, Development and Renewal)
Ian Read	(Communications Advisor, Communications, Chief Executive's)
Barry Scarr	(Interim Service Head, Finance & Procurement)
Bola Tobun	(Investments and Treasury Manager, Resources)
Meic Sullivan-Gould	(Interim Monitoring Officer)
Matthew Mannion	(Committee Services Manager, Democratic Services, LPG)

The following is a record of those decisions taken by the Cabinet at their meeting held on 23 July 2014.

**Most decisions may be 'called in'** for scrutiny by the Overview and Scrutiny Committee. The **deadline** for the receipt of any such written request is **5.00pm on Friday 1 August 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 4 August 2014.**

### **Agenda Order**

At the meeting the Mayor amended the order of business. To aid clarity, the decision notice is presented in the order the items appeared on the agenda.

#### **1. APOLOGIES FOR ABSENCE**

Apologies for absence were received on behalf of:

- Aman Dalvi (Corporate Director, Development and Renewal)
- Robin Beattie (Service Head Strategy and Resources, CLC)

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

Councillor Ohid Ahmed, Cabinet Member for Community Safety, declared a personal interest in Agenda Item 6.2 (CPO Resolution a) Aberfeldy Estate Phase 2 and b) Burdett Estate, St Pauls Way Trust (Poplar HARCA)) as he was a leaseholder in Phase Three of the project. He would leave the room for the item.

### **3. UNRESTRICTED MINUTES**

The unrestricted minutes of the Cabinet meeting held on 9 July 2014 were noted.

**Action by:**

SERVICE HEAD, DEMOCRATIC SERVICES (J.S. 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 Bethnal Green Museum Garden's Shelter**

The Mayor requested that responsibility for marketing, including any use of external expertise, be managed by the Development and Renewal Directorate.

#### **DECISION**

1. To tender out a lease of 15 years for a café concession at Museum Gardens toilet block. The length of the lease is a requirement linked to a capital investment estimated at £250,000. The concession would bring in an annual rental income with the added benefit to the council of new public toilet facility managed by the tenant. It would enhance the park and help to bring in more visitors, keep down ASB, drinkers and rough sleepers.
2. To tender out a lease of 15 years for the operation of a catering concession at the shelter in Bethnal Green Gardens in exchange for a capital investment of up to £180,00 and an annual rental income.

**Action by:****CORPORATE DIRECTOR, COMMUNITIES, LOCALITIES AND CULTURE (S. HALSEY)**

(Service Head Culture, Learning and Leisure (S. Hussain))

**Reasons for the decision**

The length of the lease is a requirement linked to a capital investment estimated at £250,000. The concession would bring in an annual rental income of around £16,000 with the added benefit to the council of new public toilet facility managed by the tenant. It would enhance the park and help to bring in more visitors, keep down ASB, drinkers and rough sleepers.

The shelter is currently in a poor condition. We have planning permission to create a small café area with estimated building costs of £180,000 which investment would be a requirement of the tender and which is why a long lease is required to attract offers. The benefits to the council would be a capital investment into refurbishing an existing property currently in poor condition and an ongoing income stream from annual rental of around £10,000.

**Alternative options**

- Wait until the Council could identify the necessary funds to carry out the required works itself and then option on a shorter lease. This would be unlikely given the Medium Term Savings Plan and the need to make budget savings across the council.
- Do nothing and leave the buildings empty and derelict. This could lead to ASB in and around the buildings and have a negative impact on the surrounding park area.
- Demolish buildings and landscape locations; this would require a capital investment with on-going maintenance costs. There are no funds currently available for this type of work.

**6.2 CPO Resolution: a) Aberfeldy Estate Phase 2 and b) Burdett Estate, St Pauls Way Trust (Poplar HARCA)**

In relation to his declared interest, Councillor Ohid Ahmed left the room for the duration of this item.

**DECISION**

1. To consider and comment upon the proposal to bring a report to Cabinet to seek the following decisions -
  - (1) Agree the preparation of a Compulsory Purchase Order (CPO), which would include specific land interests that must be

acquired to facilitate the delivery by Poplar HARCA of Phase 2 of its ongoing Aberfeldy Estate regeneration programme.

- (2) Agree the preparation of a Compulsory Purchase Order (CPO), which would include specific land interests that must be acquired to facilitate the redevelopment by Poplar HARCA of Linton and Printon Houses on the Burdett Estate, to provide new housing and allow expansion of St Paul's Way Trust School.
- (3) Delegate to the Corporate Director of Development and Renewal, together with the Service Head for Legal Services power to take all necessary steps including the making of these Compulsory Purchase Orders (CPO's), General Vesting Declarations or Notices to Treat in respect of the land shown edged red on the plans at Appendices 1 and 2, including existing interests affected by the scheme and new rights pursuant to Section 13 of the Local Government (Miscellaneous Provisions) Act 1976.
- (4) Delegate to the Corporate Director of Development and Renewal in liaison with the Service Head for Legal Services the power to take all necessary procedural steps in the making and implementation of each CPO, after consultation with the Mayor and Cabinet Member for Housing and Development. This shall include the following:-
  - Appointing land referencing agents, making of each CPO as described in Recommendation 2.3, including the publication and service of notices and thereafter seeking confirmation of it by the Secretary of State (or, if permitted, by the Council pursuant to Section 14A of the Acquisition of Land Act 1981), including the preparation and presentation of the Council's case at any Public Inquiry which may be necessary.
  - Acquiring all known interests in land and any additional interests identified through the land referencing process within the CPO boundaries, shown at Appendix 1 and 2, either by private agreement or compulsorily. This will include those interests listed in Appendix 3.
  - Determination as to whether an individual Order shall be made under the provisions of Section 17 Housing Act 1985, or Section 226 Town and Country Planning Act 1990, should the Service Head for Legal Services consider this appropriate.
  - Monitoring of negotiated agreements by Poplar HARCA with land owners or others as applicable, setting out the terms for withdrawal of objections to the CPO, including where appropriate seeking exclusion of land or new rights from the CPO.

- Publication and service of notices of confirmation of the CPO and thereafter to execute and serve any general vesting declarations or notices to treat, and notices of entry, and to acquire those interests to secure the development proposals.
  - Referral and conduct of disputes, relating to compulsory purchase compensation, at the Upper Tribunal (Lands Chamber).
  - Transfer of any land interests compulsorily acquired by the Council to Poplar HARCA, for nil consideration, within a timescale to be agreed with Poplar HARCA, once vacant possession is achieved.
  - Entering into a CPO indemnity agreement to provide a framework for the respective roles of the Council and Poplar HARCA in the promotion and application of powers, and financial commitments to the Council to pay compensation costs and the council's costs for managing each CPO.
- (5) Determine that the use of CPO powers is exercised where this is recommended in the report, after balancing the rights of individual property owners with the requirement to obtain vacant possession of the site.
- (6) Determine that the interference with the human rights of the property owners affected by these proposals, and in particular their rights to a home and to the ownership of property, is proportionate, given the adequacy of their rights to object and to compensation, and the benefit to the economic, social and environmental well-being of the areas of Tower Hamlets affected by these proposals.
2. To note that the costs incurred by the council in managing the CPO processes will be reimbursed by Poplar HARCA.
3. To note that the proposed CPO for Aberfeldy Phase 2 (Recommendation 2.1) is the first of three CPOs which will be brought forward for Resolution over the next five years, at the appropriate time, to enable Poplar HARCA to obtain vacant possession of the key sites required to deliver its overall Aberfeldy regeneration programme.

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

(Strategic Housing Manager (J. Coker)

(Housing Regeneration Manager (N. McGowan)

**Reasons for the decision**

The two proposed CPO Resolutions will progress the Mayor's regeneration aims by enabling the Council's registered provider partner, Poplar HARCA, to roll out Phase 2 of its ongoing housing regeneration programme on Aberfeldy; and to undertake an approved partnership project with the council on Burdett Estate, which will redevelop two existing housing blocks and provide new homes and a much needed expansion of St Paul's Way Trust School, expanding the school by 450 primary places.

These separate CPO processes would each be run in tandem alongside Poplar HARCA's continuing efforts to secure vacant possession voluntarily, helping to ensure that land interests can ultimately be acquired and that the redevelopment schemes can progress without indeterminate delays. The status of negotiations by HARCA with the affected land interests in each area is summarised later in this report. Negotiations will be reviewed regularly by Council officers, to ensure that HARCA continues to try to reach negotiated agreements with leaseholders and any other land interests, wherever possible, and that the CPO, once made, is enforced as the last resort.

Proposed Aberfeldy CPO: Poplar HARCA has obtained planning approval for a ten year programme of housing renewal, to benefit existing and future residents, and this is already well underway. HARCA confirms that Phase 2 of this regeneration programme cannot be delivered without the promotion and use of CPO powers by the council.

The Mayor is also asked to note that two further CPO Resolutions are likely to be requested in due course, in respect of future Aberfeldy scheme phases (3-6). Poplar HARCA's multi-phased approach, with the commitment of the council to utilise its CPO powers, gives its Joint Venture partners the confidence and security to underpin their future investment strategy and to demonstrate the financial viability of their proposals at each stage. It also allows time to continue negotiations to secure acquisitions voluntarily where possible.

Proposed Burdett CPO: The need for the CPO of specific land interests on Burdett Estate arises from a partnership proposal that has been developed by the council, Poplar HARCA and St Paul's Way Trust School. This builds on existing local regeneration work in which the partners have worked together. In September 2013 Cabinet agreed a recommendation to support the proposed expansion of St Paul's Way Trust School and a capital estimate was adopted to include the project in the ESCW capital programme. (Cabinet 11 September 2013, Planning for School Places, 2013/14 Review; ESCW Capital Programme 2013/16). The capital estimate was adjusted to £9.73m following a recommendation to Cabinet on 2 April 2014.

Poplar HARCA has agreed proposals for this regeneration scheme with the Council and with the school. Based on the need for additional school provision in the locality, a scheme has been developed for which it is anticipated a planning application will be submitted in September 2014. The Council is funding the capital costs of the school-related elements of the overall scheme. This is funded from specific capital grant from the DfE for

additional school places. Part of the Council's costs will include a proportion of costs attributable to site assembly, i.e. decant of existing residents.

The proposal is for the demolition of existing flats in Printon and Linton Houses (HARCA-owned blocks) and a mixed-use redevelopment, to include accommodation for the school on the ground floor, with mixed tenure housing above. This is a form of development which has been successfully implemented elsewhere. The site is approximately 200m from St Paul's Way Trust School. The scheme will also include nursery provision, and a retail space.

There is a steeply rising need for more school places in Tower Hamlets. Over the next 10 years approximately 8,000 more primary school places will be required. The Council has a statutory duty to provide school places. In recent years the Council has created more capacity from within its own assets.

The St Paul's Way Trust School proposal allows a partnership approach to create additional capacity as well as provide new homes. The Council will fund the school elements of the capital costs of the redevelopment. The proposed development will allow the school to expand by adding 450 primary places. By this expansion the school will become an all-through school for 1650 children aged 4-18 years. It allows the expansion of an outstanding and popular school to create places that the Council would not otherwise be able to create on the existing site of the school.

The school is in a priority area of the borough where there is considerable pressure on the available school places. The Council has limited options for expanding schools in the area. New residential developments have taken place and are proposed in this area of the borough. Where there are not enough local primary school places, children are not able to gain a place at their local school and will have to travel further to access a place. The school is expanding from September 2014 and is opening in temporary accommodation in the Burdett Centre.

The request to commence with a CPO resolution at this early stage is to facilitate clearance of the site so that the permanent school provision can be in place, if possible, for the beginning of the 2016/17 school year in September 2016.

### **Alternative options**

The alternative option is to NOT make the recommended Resolutions for one or both of the proposed CPOs. In this instance negotiations by Poplar HARCA with individual land interests would continue, but the absence of a back-up CPO process could potentially have negative impacts as follows:



**Aberfeldy Regeneration Scheme**

- Risk to the land assembly and to the implementation of the development, which would jeopardise key performance targets and housing outputs.
- Risk that future scheme phases would not be deliverable, as the regeneration scheme approach has been developed for the whole estate, and Phase 2 provides part of the rolling decant accommodation.
- Uncertainty for tenants and leaseholders in both Phase 2 and future phases as to whether the scheme will progress, which would make it harder for them to make informed decisions about their future.
- Without a statutory CPO there would be no obligation on Poplar HARCA to reimburse leaseholders' costs associated e.g. surveyors and legal fees.
- Potentially higher costs for Poplar HARCA, i.e. to achieve voluntary acquisitions at a higher than market value, which in turn could reduce scheme funding or overall financial viability. HARCA advises that due to the way the scheme funding is structured, this could have a negative impact on the overall level of affordable housing to be provided.
- Risk of non-delivery on commitments by Poplar HARCA to provide *comprehensive* regeneration across the wider area, including:
  - New affordable homes for people in housing need.
  - Community, faith and health provision.
  - New retail area of increased size.
  - Public realm and general neighbourhood regeneration.
  - Loss of planned investment in training academy.

**Burdett / St Pauls Way Trust School**

- Risk to the land assembly and to the development of the proposed new homes and the school extension. HARCA has stated that without a commitment from the council to use CPO powers to support the delivery of the land assembly, it will not be able to progress the scheme, as the cost risk will be too high.
- Potentially higher costs for Poplar HARCA, i.e. to achieve voluntary acquisitions at a higher than market value, which in turn could reduce scheme funding or overall financial viability. A proportion of such additional costs would fall to the Council for the school-related element of the overall project.

- Uncertainty for tenants and leaseholders as to whether the scheme will progress, which will make it harder for them to make informed decisions about their future, or to get alternative accommodation which meets their requirements.
- Without a statutory CPO there would be no obligation on Poplar HARCA to reimburse leaseholders' costs for reaching voluntary settlements, such as surveying and legal fees.
- The proposed expansion of St Paul's Way Trust School has been identified as a key scheme to provide additional, high quality school capacity in this area of the borough to meet the needs of local residents.
- There would be a risk that the much needed school places could not be provided on this site: the need for additional school places in Tower Hamlets is significant and will continue for the foreseeable future.
- Many schools have been expanded on their existing sites but the opportunities for more such expansions are now very limited due to the restricted sites of many inner city schools.
- Other options might include securing site allocations through the strategic planning process and other agreements with developers. However because of the scale of the need for additional places (8,000 primary school places over the next 10 years), the Council has to keep several options under review and in progress in order to keep pace with the projected number of pupils requiring a school place each year.
- This includes working with partners on the potential for mixed-use development, as in this case. This scheme is an ideal opportunity to address key regeneration aims to improve housing and school provision.

## **7. A PROSPEROUS COMMUNITY**

### **7.1 Tackling the School Places Gap: pupil place planning and the impact of academies and free schools - scrutiny challenge session**

#### **DECISION**

1. To note the report.

#### **Action by:**

**SERVICE HEAD, CORPORATE STRATEGY AND EQUALITY (L. RUSSELL)**

(Strategy, Policy and Performance Officer (V. Allen))

**Reasons for the decision**

The lack of future school places has featured heavily in the news recently. While this is a London-wide issue, it is particularly significant in Tower Hamlets, as our borough has one of the fastest growing young populations in the country. Members are also acutely aware of parents' concerns about the growing school places gap.

As such, Overview and Scrutiny wanted to investigate how the council is currently managing school places in the borough and whether more needs to be done to both meet the growing gap and enable parents to navigate the system appropriately. Members wanted to understand the key national and local pressures on school places, relevant policy levers and restrictions, what steps the local authority has already taken and what other opportunities are available to expand school provision.

**Alternative options**

To take no action. This is not recommended as the proposed recommendations are strategic, measurable and attainable, and clearly address the council's need to better communicate its decision making with residents and Members. A timetable for delivering the recommendations has also been agreed by officers at the most senior levels of the organisation. The action plan is outlined in appendix 1.

To agree some, but not all recommendations. As outlined above all of the recommendations are achievable at little additional cost to the organisation. Although the scrutiny review group is confident all the recommendations will be addressed, there may be reasons for not accepting all of them.

**8. A SAFE AND COHESIVE COMMUNITY****8.1 DAAT Commissioning****DECISION**

1. To agree to the re-procurement of drug / alcohol treatment services in Tower Hamlets
2. To agree Option 3 as the preferred option for re-procurement subject to the Cabinet Members for Resources and Community Safety being given a strategic and design oversight of the proposals.
3. To agree to a consortium approach to commissioning to ensure local third sector partners can be properly engaged.
4. To agree the timescales detailed in the report
5. To note the risks detailed in the report and the mitigating actions.

**Action by:****CORPORATE DIRECTOR, COMMUNITIES, LOCALITIES AND CULTURE  
(S. HALSEY)**

(Service Head, Community Service (A. Bamber)

(DAAT Co-ordinator (R. Sadegh)

**Reasons for the decision**

The Treatment system must be re-procured for three reasons:

- 1 Most services have not been subject to a competitive tender for a number of years.
- 2 Current performance is declining across many providers
- 3 There is a request to reduce the amount of Public Health Grant allocated to drug / alcohol services by £1.06m

**Alternative options**

Current recommendations from DAAT Board, CLC / ESCW DMTs and CMT suggest option 3 is the preferred option of the four options presented.

**8.2 Health Scrutiny Review of A&E services****DECISION**

1. To note the report.

**Action by:****SERVICE HEAD, CORPORATE STRATEGY AND EQUALITY (L.  
RUSSELL)**

(Strategy, Policy and Performance Officer (T. Alam)

**Reasons for the decision**

The decisions have been based on the fact that A&amp;E services, in light of the changes to the new health landscape, required special consideration due to it being an integral service that deals with medical emergencies, and therefore playing a fundamental role to the health of our community.

**Alternative options**

The alternative options would have been to do:

- nothing
- let health services operate in a silo
- let health services operate without scrutinising its efforts and or any process of joint or partnership working in the delivery of services.

This would however, not have led to the recommendations, where the council and health service providers can now work in partnership to alleviate some of the pressures faced by A&amp;E services; as well we make the recommendations around recruitment and employment that will benefit the borough as a whole.

### 8.3 Genesis Mental Health Contract Award

#### DECISION

1. To agree the recommended procurement method, thereby authorising officers to proceed to a competitive tender exercise for Teresa House and Hamlets Way Mental Health Accommodation Contracts; with the contract period being two years with the option to extend for a further one year period.
2. To agree the contractual extension required to facilitate this process in recognition of the longer procurement timetable required for an open tender as compared with letting the contract via the Supporting People Framework Agreement as originally intended; and
3. To agree that the award of the contract should be delegated to the Corporate Director for ESCW in consultation with the Mayor.

#### Action by:

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

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

#### Reasons for the decision

The contract for Hamlets Way and Teresa House provides a high level of support for 32 adults with mental health issues to live independently in the community as a stepping stone from residential care and hospital services. This provision meets the Boroughs statutory obligation to provide support to some of our most vulnerable residents, and as such it is vital that we have an effective contract in place when this one comes to an end in September 2014.

Genesis Housing Association has given agreement to continued use of both buildings in the understanding that these services are retendered via open tender.

Competitively procuring this contract on a three year basis will maximise efficiency, service benefits and value for money as well as reconfiguring the existing service to provide both better outcomes for service users.

#### Alternative options

Following discussions with the incumbent Provider, we are recommending that this contract is subject to an open tender as despite prolonged negotiation with the provider we have not reached agreement to secure the continued use of the buildings by any other route.

Failure to retender these services via an open tender process is likely to result in the Borough having to decommission the services whilst identifying an additional 32 units of high support accommodation from which to deliver this service. Sourcing suitable and appropriate good quality buildings from which to deliver services will require a two to three year period.

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

Nil items.

## **10. ONE TOWER HAMLETS**

### **10.1 Strategic Performance, 13/14 General Fund Revenue Budget and Capital Programme Monitoring Q4 Year End**

#### **DECISION**

1. To note the Council's financial performance compared to budget for 2013/14 as detailed in Sections 3 to 6 and Appendices 1-4 of the report.
2. To approve the transfers to reserves as detailed in Appendix 5 of the report.
3. To review and note 2013/14 year end performance for strategic measures and Strategic Plan activities in Appendices 6 to 7 of the report.

#### **Action by:**

**CORPORATE DIRECTOR, RESOURCES (C. HOLME)**

(Chief Accountant (K. Miles))

(Service Head, Corporate Strategy and Equality (L. Russell))

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

Good financial practice requires that regular reports be submitted to Council/Committee setting out the financial position of the Council against budget, and its service performance against targets

The regular reporting of the Strategic Performance and Corporate Revenue and Capital Budget Monitoring should assist in ensuring that Members are able to scrutinise officer decisions.

#### **Alternative options**

The Council reports its annual outturn position against budget for both revenue and capital net spend. It also reports its Strategic Performance.

Significant variations, trends and corrective action are reported in the body and appendices of the report. No alternative action is considered necessary beyond that included below and this report is produced to ensure that

Members are kept informed about decisions made under the delegated authority.

## **10.2 Resident Engagement in the Budget Process - Scrutiny Review**

### **DECISION**

1. To note the report.

#### **Action by:**

**SERVICE HEAD, CORPORATE STRATEGY AND EQUALITY (L. RUSSELL)**

(Strategy, Policy and Performance Officer (S. Khatun))

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

The budget-setting process is an important annual opportunity for the council to engage with residents and businesses in the borough to ensure that the priorities reflected in the budget coincide with the requirements of service users. Going forward, the council is expected to make greater savings which will inevitably impact on frontline services, therefore, these decisions have been based on the Review Group appraising the methods undertaken by the council in their approach to involving residents in the budget process within the period 2010-2013, and exploring whether the council is fully utilising its communication and consultation channels in order to improve the process for engaging residents in budget setting.

#### **Alternative options**

Continue with the current engagement model.

## **10.3 Tower Hamlets Council's Approach to Support Staff with Specific Learning Difficulties - Scrutiny Review**

### **DECISION**

1. To note the report.

#### **Action by:**

**SERVICE HEAD, CORPORATE STRATEGY AND EQUALITY (L. RUSSELL)**

(Strategy, Policy and Performance Officer (S. Khatun))

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

Disability (including specific learning difficulties) is a protected characteristic under the Equality Act and Public Sector Equality Duty. The Public Sector Equality Duty (PSED) came into force in April 2011, and was created under the Equality Act 2010 – a single legal framework created to protect the rights of individuals and promote equal opportunity for all.

The Equality Duty was designed to shift the onus from individual to communal responsibility, placing an obligation on public authorities to advance equality. It aims to embed equality considerations into the day-to-day business of public bodies and extend it across the protected characteristics.

Based on an understanding of this protected characteristic, the council as both a public facing organisation and employer needs to pay due regard to:

- Eliminating unlawful discrimination, harassment and victimisation notwithstanding other forms of conduct prohibited by the Act
- Advance equality of opportunity amongst people who share a protected characteristic and those who do not
- Foster good relations between different groups

To demonstrate this 'due regard', the council is expected to identify and remove/mitigate disadvantages suffered by individuals because of their disability, as well as take steps to meet the needs of this protected group. In addition to encouraging people from this protected group to engage in active citizenship where their participation is disproportionately low.

Staff user profile in relation to disability reveals that in 2012/13, 4.18% of the workforce declared that they meet the Disability Discrimination Act definition of disability. The percentage of people with a disability within the council remains stable over the period 2011 to 2013, though below the target level with significant numbers of staff members – approximately 20% of the workforce not disclosing this information. The profile of disability amongst the council workforce, therefore, closely reflects the wider borough. The relatively high proportion of staff that choose not to disclose their disability status suggests that there may be factors which prevent staff from declaring, such as fear of discrimination and lack of awareness of or confidence in the support available for staff.

The low level of disclosure of disabilities has been identified as a persistent area of concern by members of the council's Disabled Staff Forum and services involved in communicating the assessment process and delivery of support – ICT/Agilisys and HR. The weight of this issue has been reinforced through feedback received via various channels which includes staff forum events hosted by HR and ongoing work carried out by the One Tower Hamlets team and HR in supporting the Disabled Staff Forum. The Scrutiny lead member for Resources wanted to review the current process used to identify/assess specific learning difficulties and the support provided to staff in the workplace, and highlight and address the impact of insufficient provision on the retention/promotion of people with hidden disabilities in the council's workforce. Therefore, these decisions have been based on the Review Group exploring what improvements could be made by the council to the present assessment process to make it easier for staff with learning difficulties to access support, and to develop its communications to raise awareness amongst line managers.



**Alternative options**

Continue with the current assessment process and provision of support to staff with specific learning difficulties.

**10.4 Investment in London LGPS Common Investment Vehicle (CIV)****DECISION**

1. To participate in the establishment of the London (LGPS) Collective Investment Vehicle (CIV)
2. To participate in the establishment of a private company limited by shares to be incorporated to be the Authorised Contractual Scheme Operator (the 'ACS Operator') of the London (LGPS) Collective Investment Vehicle (CIV), the ACS Operator to be structured and governed as outlined in this report.
3. That following the incorporation of ACS Operator, the London Borough of Tower Hamlets:
  - become a shareholder in the ACS Operator.
  - contribute £1 to the ACS Operator as initial capital;
  - appoint an executive member to exercise the Council's rights as shareholder of the ACS Operator;
4. Under Regulation 11 of the Local Authorities (Arrangement for the Discharge of Functions) (England) Regulations 2012 to establish the Pensions CIV Joint Committee, pursuant to the existing London Councils Governing Agreement dated 13 December 2001 as amended, to act as a representative body for the Local Authorities participating in these arrangements; and
5. to delegate to this Joint Committee those functions necessary for the proper functioning of the ACS Operator including the effective oversight of the ACS Operator and the appointment of Directors.

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

(Investment and Treasury Manager (B. Tobun)

(Chief Accountant (K. Miles)

**Reasons for the decision**

The London Borough of Tower Hamlets is the Administering Authority of the London Borough of Tower Hamlets Pension Fund and has the delegated responsibility for decisions regarding the Pension Fund to the Pensions Committee.

There is pressure on LGPS funds to demonstrate efficiency savings and work collaboratively. This decision would enable LBTH to participate in developing a cost-saving mechanism for pension fund investment across London. By

establishing the mechanism the Pensions Committee will be able to decide whether there are advantages in investing via this collaborative venture.

#### **Alternative options**

The theory of the CIV is that fund managers will charge a lower management fee on pooled investments managed. If the CIV investment proves to be a popular fund, then if the Tower Hamlets fund was outside the scheme it would not have the potential to benefit from economies of scale.

### **10.5 Contracts Forward Plan Q1 and Q2 (2014-15)**

#### **DECISION**

1. To consider the contracts summarised in Appendix one of the report.
2. To confirm that all contracts set out in Appendix1 can proceed to contract award after tender subject to the relevant Corporate Director who holds the budget for the service area consulting with the Mayor and the relevant lead member prior to contract award
3. To authorise the Head of legal Services to execute all necessary contract documents in respect of the awards of contracts referred to at recommendation 2 above.

#### **Action by:**

**CORPORATE DIRECTOR, RESOURCES (C. HOLME)**

(Head of Procurement (Z. Ahmed))

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

The Council's Procurement Procedures require submission of a quarterly forward plan of contracts for Cabinet consideration, and it is a requirement of the Constitution that "The contracting strategy and/or award of any contract for goods or services with an estimated value exceeding £250,000, and any contract for capital works with an estimated value exceeding £5,000,000, shall be approved by the Cabinet in accordance with the Procurement Procedures". This report fulfils these requirements for contracts to be let during and after the period Q1& Q2 of the Financial Year.

#### **Alternative options**

Bringing a consolidated report on contracting activity is considered the most efficient way of meeting the requirement in the Constitution, whilst providing full visibility of contracting activity; therefore no alternative proposals are being made.

### **10.6 Strategic and Resource Planning 2014/15**

Note – the original report was withdrawn and the Mayor approved the reasons for urgency for the replacement report.

**DECISION**

1. To note the budget position for 2014/15.
2. To agree the Strategic Plan for 2014/15 (Appendix 1).
3. To note that the financial outlook for 2015/16 remains unchanged from what was reported in March 2014 and savings of £28.4m will be required to deliver a balanced budget for that year.
4. To note that the financial position is subject to volatility and that development's in Government policy and their implications on MTFP planning assumptions will be monitored closely and reported back at regular intervals during the financial year as part of the budget process.
5. To note that current budget assumptions will be refreshed and that the MTFP will be extended to include projections for 2017/18 and 2018/19 as further iterations are reported to Cabinet.

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

(Service Head, Corporate Strategy and Equality (L. Russell))

**Reasons for the decision**

The authority is under a duty to set a balanced and sustainable budget and needs to plan the use of resources in such a way that it can deliver its statutory responsibilities and priorities as well as meeting local people's aspirations.

A Medium Term Financial Plan is required to enable financial pressures and risks to be modelled, allowing resourcing decisions to be made in a planned and structured manner. This is especially pertinent when overall resources are reducing, and unaffordable spending commitments need to be avoided.

**Alternative options**

The authority has no practical alternative other than to deliver services within available resources while ensuring value for money in the use of these resources and managing risks through effective financial planning. Any decision not to develop options to address future spending reductions would have serious ramifications for the Council. The authority can take alternative approaches to how it sets about the process, for example of finding savings or providing in the budget for possible risks.

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

Nil items.

**12. UNRESTRICTED REPORTS FOR INFORMATION**

Nil items.

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

Nil items.

**14. EXEMPT / CONFIDENTIAL MINUTES**

Nil items.

**15. OVERVIEW & SCRUTINY COMMITTEE**

Nil items.

**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**

Nil items.

**17. A PROSPEROUS COMMUNITY**

Nil items.

**18. A SAFE AND COHESIVE COMMUNITY**

Nil items.

**19. A HEALTHY AND SUPPORTIVE COMMUNITY**

Nil items.

**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 6.08 p.m.

John S Williams  
SERVICE HEAD, DEMOCRATIC SERVICES