

LONDON BOROUGH OF TOWER HAMLETS

MINUTES 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 Health and 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 Education and Children's Services)

Other Councillors Present:

Councillor Denise Jones
Councillor Joshua Peck
Councillor Andrew Wood

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

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

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.

At the meeting the reports were taken in the following order:

- 7.1 – Tackling the School Places Gap: pupil place planning and the impact of academies and free schools – scrutiny challenge session
- 8.2 – Health Scrutiny Review of A&E Services
- 10.2 – Resident Engagement in the Budget Process – Scrutiny Review
- 10.3 – Tower Hamlets Council's Approach to Support Staff with Specific Learning Difficulties – Scrutiny Review
- 6.1 – Bethnal Green Museum Garden's Shelter
- 6.2 – CPO Resolution: a) Aberfeldy Estate Phase 2 and b) Burdett Estate, St Pauls Way Trust (Poplar HARCA)
- 8.1 – DAAT Commissioning
- 8.3 – Genesis Mental Health Contract Award
- 10.1 – Strategic Performance, 13/14 General Fund Revenue Budget and Capital Programme Monitoring Q4 Year End
- 10.4 – Investment in London LGPS Common Investment Vehicle (CIV)
- 10.5 – Contracts Forward Plan Q1 and Q2 (2014-15)
- 10.6 – Strategic and Resource Planning 2014/15

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.

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

Councillor Joshua Peck, Chair of the Overview and Scrutiny Committee, provided an update on the Committee's meeting the previous evening.

He reported that the main item of business had been a discussion on the auditor's report on the sale of the old Poplar Town Hall. He explained that the Committee had taken evidence from officers, auditors and the Lead Member during the meeting. There were some items and questions still outstanding but the Committee would be presenting its findings back to Full Council once their investigations were complete.

Other items of business at the meeting had included looking at the strategic performance of the Council, with particular discussions around burglary and anti-social behaviour response performance, adoption and the declining revenue support grant. The Committee had also made appointments to the Inner North East London Joint Overview and Scrutiny Committee and considered its work programme for the upcoming meetings.

The **Mayor** thanked Councillor Joshua Peck for his update.

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

Shazia Hussain, Service Head, Culture, Learning and Leisure, introduced the report. She explained the proposals and how they would bring in investment to provide accessible services for the local community.

The **Mayor** thanked officers and Members, in particular Councillor Stephanie Eaton, for working to develop this project and stated that he looked forward to it being completed as soon as possible. The Mayor requested that responsibility for marketing, including any use of external expertise, be

managed by the Development and Renewal Directorate. Subject to that note, the **Mayor** agreed the recommendations as set out in the report.

RESOLVED

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.

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.

Councillor Rabina Khan, Cabinet Member for Housing and Development, introduced the report. She highlighted the importance of Poplar HARCA continuing to seek negotiated settlements. During discussion the importance of the joint partnership between the Council and Registered Social Landlords was highlighted.

The **Mayor** highlighted the reluctance to use Compulsory Purchase Order (CPO) powers and that at this stage he was only agreeing them in principle and that no CPO powers should be exercised without his authority.

RESOLVED

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.

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

Councillor Joshua Peck, Chair of the Overview and Scrutiny Committee introduced the report. He highlighted the pressure to increase the number of available school places and stated that there review had produced useful discussions and sensible recommendations.

The **Mayor** thanked Scrutiny Members for their work and in particular endorsed their recommendation that the Council look to expand existing provision. He noted the report.

RESOLVED

1. To note the report.

8. A SAFE AND COHESIVE COMMUNITY

8.1 DAAT Commissioning

Councillor Ohid Ahmed, Cabinet Member for Community Safety, introduced the report. He highlighted the reasons why a review was needed and noted the different options presented. He felt that Option 3, as set out in paragraph 3.12 of the report, was the best option.

During discussion Councillor Alibor Choudhury proposed two amendments to the recommendations. He stated concurred that Option 3 was the preferred option but that the Cabinet Members for Resources and Community Safety should have oversight of the proposals. He also requested that a further recommendation be introduced to agree a consortium approach to ensure local third sector providers could be involved.

The **Mayor** concurred with the comments and stated that it was important to bring on board the expertise available in local community organisations. He **agreed** the recommendations set out in the report with the above two amendments.

RESOLVED

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.

8.2 Health Scrutiny Review of A&E services

Councillor Joshua Peck, Chair of the Overview and Scrutiny Committee, introduced the report. He reported that the review found that Accident and Emergency Services in the Borough were pretty good but that the report did propose some practical recommendations on a public health level.

The **Mayor** thanked Health Scrutiny Panel Members for their report and the recommendations contained although he did express some concerns about recommendation 5 (in relation to research into inappropriate use of A&E by residents).

RESOLVED

1. To note the report.

8.3 Genesis Mental Health Contract Award

Councillor Abdul Asad, Cabinet Member for Adult Services, introduced and welcomed the report. He noted that any contract award should always be for two years with the potential to extend for one year, as opposed to offering three years.

The **Mayor** welcomed the report and **agreed** the recommendations as set out.

RESOLVED

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.

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**

Councillor Alibor Choudhury, Cabinet Member for Resources, introduced the report.

Chris Holme, Corporate Director Resources, highlighted that the Council remained in a relatively healthy financial state and it had an excellent return in its Council Tax collection rate and for Non Domestic Rates collection the Council was rated second best in the Country.

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

RESOLVED

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.

10.2 Resident Engagement in the Budget Process - Scrutiny Review

Councillor Joshua Peck, Chair of the Overview and Scrutiny Committee, introduced the report. He highlighted that resident engagement in the budget process was always a challenge but that the report had some useful recommendations to be considered.

The **Mayor** thanked the Councillors involved in the review, in particular Councillor Stephanie Eaton the former Scrutiny Lead for Resources. He promised to look into incorporating the suggestions. He noted the report.

RESOLVED

1. To note the report.

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

Councillor Joshua Peck, Chair of the Overview and Scrutiny Committee, introduced the report.

The **Mayor** thanked Councillors for their report and highlighted his commitment to involving and supporting staff. He noted the report.

RESOLVED

1. To note the report.

10.4 Investment in London LGPS Common Investment Vehicle (CIV)

Chris Holme, Corporate Director, Resources, introduced the report. He highlighted that this report was one part of a process in considering a proposal to establish Collective Investment Vehicle for London Local Government Pension Schemes.

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

RESOLVED

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.

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

Councillor Alibor Choudhury, Cabinet Member for Resources introduced the report.

Following discussion the **Mayor agreed** the recommendations as set out in the report, whilst reconfirming that in most cases contracts were for two years with the potential to extend for one year and would not be for three years straight off.

RESOLVED

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.

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.

Special Circumstances Justifying Urgent Consideration

As this report sets the Budget and Resource framework and the strategic priorities for the Council it required extensive consultation across the whole council and this led to the report being submitted late. Cabinet's approval of this report is urgently required to ensure the savings required of the Council are realised and the Council's work programme is set for this year.

Councillor Alibor Choudhury, Cabinet Member for Resources, introduced the report. He highlighted the good track record the Council had in delivering any necessary savings.

The **Mayor** welcomed the report and **agreed** the recommendations as set out.

RESOLVED

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.

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