

**LONDON BOROUGH OF TOWER HAMLETS**

**RECORD OF THE DECISIONS OF THE CABINET**

**HELD AT 5.35 P.M. ON WEDNESDAY, 5 NOVEMBER 2014**

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

**Members Present:**

Mayor Lutfur Rahman	
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 Mahbub Alam	(Executive Advisor on Adult Social Care)
Councillor Shah Alam	
Councillor Gulam Kibria Choudhury	
Councillor Marc Francis	
Councillor Peter Golds	(Leader of the Conservative Group)
Councillor Danny Hassell	
Councillor Abjol Miah	
Councillor Md. Maium Miah	

**Others Present:**

Graham Fisher	(Fairness Commissioner)
Mustafa Ibrahim	(Fairness Commissioner)
Lindsey Mackie	(Fairness Commissioner)

**Officers Present:**

Andy Bamber	(Service Head Safer Communities, Crime Reduction Services, Communities, Localities and Culture)
Aman Dalvi	(Corporate Director, Development & Renewal)
David Galpin	(Service Head, Legal Services, Law Probity & Governance)
Stephen Halsey	(Head of Paid Service and Corporate Director Communities, Localities & Culture)
Chris Holme	(Acting Corporate Director - Resources)
Robert McCulloch-Graham	(Corporate Director, Education Social Care and

	Wellbeing)
Raju Miah	(Communications Adviser)
Jackie Odunoye	(Service Head, Strategy, Regeneration & Sustainability, Development and Renewal)
Louise Russell	(Service Head Corporate Strategy and Equality, Law Probity & Governance)
Sarah Finnegan	(Senior Strategy Policy and Performance Officer, Corporate Strategy and Equality Service, Chief Executive's)
John McDermott	(Deputy Service Head Media Relations and Analysis)
Matthew Mannion	(Committee Services Manager, Democratic Services, LPG)

## 1. APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of:

- Councillor Oliur Rahman (Deputy Mayor and Cabinet Member for Economic Development (Jobs, Skills and Enterprise))
- Councillor Joshua Peck, (Chair of the Overview and Scrutiny Committee)
- Robin Beattie (Service Head, Strategy and Resources, Communities, Localities and Culture)

## 2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS

None were declared.

## 3. UNRESTRICTED MINUTES

The unrestricted minutes of the Cabinet meeting held on 1 October 2014 were noted.

**Action by:**

**SERVICE HEAD, DEMOCRATIC SERVICES (J. S. WILLIAM)**

(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

A number of pre-scrutiny questions in relation to items on the agenda were **tabled** on behalf of the Overview and Scrutiny Committee. Officers and

Members responded to the questions during consideration of the relevant items.

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

Nil items.

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

### **6.1 Watts Grove - Selection of preferred bidder**

#### **DECISION**

1. To agree the selection of bidder 3 as the preferred bidder following the outcome of the tender evaluation process in October 2014;
2. To authorise officers to nominate the second highest bidder as a reserve and to authorise the Corporate Director of Development and Renewal, to call upon this reserve if the preferred bidder's contractual position deviates significantly from that tendered or if their bid is withdrawn;
3. To note that the tender evaluation in October 2014 has taken place prior to obtaining detailed planning approval, anticipated for December 2014;
4. To note that as a result of the timing of the planning application, provisional sums have been provided in the tenders for planning conditions which will be quantified with the preferred bidder following anticipated planning approval in December;
5. To authorise the Corporate Director, Development and Renewal, following consultation with the Service Head – Legal Services, to agree and enter into the terms and conditions of any agreements required to implement recommendation 1 (or recommendation 2 if so required) and progress the Watts Grove project;
6. To note that a capital estimate to the value of £26.33 million for the development of the Watts Grove Depot site has been incorporated within the Council's capital programme;
7. To note the development is funded from £6.9m GLA funding and £19.43m of the council's own resources and that a requirement of the GLA funding is that the scheme must start on site no later than March 2015;
8. To agree that the Watts Grove depot site will no longer be required for use as a depot by the Council, from the date on which it is vacated in accordance with the depot strategy.

9. To authorise the Corporate Director, Development and Renewal, following consultation with the Service Head – Legal Services, to appropriate the land for housing purposes.

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

(Service Head, Corporate Property and Capital Delivery (A. Sutcliffe))

**Reasons for the decision**

The delivery of the Watts Grove housing scheme will be key in meeting the Mayoral priority of additional affordable housing units within the borough.

In order to deliver the scheme, the council is required to appoint a Design and Build contractor. In the absence of such an appointment, the council will not be able to deliver the scheme.

The Design and Build contractor is being procured under the GLA London Development Panel Framework in order to expedite the programme and to achieve a start on site no later than March 2015.

This report provides feedback on the result of the procurement process for the delivery of the homes.

**Alternative options**

The only alternative available to the Mayor is not to take a decision on the selection of the preferred Design and Build contractor. This course of action is not recommended as this would mean the council is unable to deliver the Watts Grove scheme.

**6.2 New Homes - Development Schemes at 4 New Sites****DECISION**

1. To agree that consultancy services may be engaged to take the following projects (details of which are set out in the report) to the planning stage –
  - (a) Locksley Estate and Hereford Street;
  - (b) Jubilee Street and Baroness Road;
  - (c) Brick Lane, Christian St, Spelman Street and Mile End Road
2. To note the proposed approach to procurement of the consultancy services in paragraph 3.16 of the report and the estimated value of the services in paragraph 3.17 of the report.
3. To note the risks set out in the report in relation to proceeding with the projects as outlined in 1 and 2 in circumstances where the projects are not currently included in the Council's capital programme and do not have budgets allocated.

4. To authorise the Corporate Director Development & Renewal, after consultation with the Service Head – Legal Services, to agree the terms of the necessary contracts.
5. To adopt capital estimates, including contingencies, of £15.071 million for Locksley Estate and £11.797 million for Hereford Street (a total capital estimate of £26.868 million), subject to the scheme being included in the 2015-16 to 2017-18 capital programme, and subsequent Council approval as part of the 2015-16 budget process.
6. To adopt capital estimates, including contingencies, of £6.583 million for Jubilee Street and £4.707 million for Baroness Road (a total capital estimate of £11.290 million), subject to the scheme being included in the 2015-16 to 2017-18 capital programme, and subsequent Council approval as part of the 2015-16 budget process.
7. To adopt capital estimates, including contingencies, of £538,000 for Brick Lane, £280,000 for Christian Street, £817,000 for Spelman Street and £525,000 for Mile End Road (a total capital estimate of £2.160 million), subject to the scheme being included in the 2015-16 to 2017-18 capital programme, and subsequent Council approval as part of the 2015-16 budget process.
8. To agree that £1.91 million of the adopted capital estimates may be expended prior to the schemes being included in the 2015-16 to 2017-18 capital programme and subsequent Council approval as part of the 2015-16 budget process, in order that the services outlined in paragraph 1 can be commissioned and note that this funding is available from uncommitted resources of £2million that were set aside as a provision to fund new housing supply as part of the 2014-15 budget process.
9. To agree entry into the grant agreements with the GLA and HCA.
10. To authorise the procurement of the required professional and technical services and works contracts and utilising suitable procurement frameworks available to the public sector.
11. To authorise the Corporate Director, Development and Renewal to agree the terms and conditions of the agreements referred to in 1 and 9, after consultation with the Service Head – Legal Services.

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

(Strategic Housing Manager (J. Coker)

(Strategic Projects Manager (G. Le Tissier)

**Reasons for the decision**

The Council was successful in obtaining funding under the Affordable Housing Programme 2015-18 from the Greater London Authority for two affordable housing development schemes delivering 132 new homes.

In March 2014, central government invited Local Authorities to bid for additional borrowing within their Housing Revenue Account for the express purpose of delivering additional affordable housing schemes. In July 2014, Tower Hamlets was given permission to borrow in order to fund 48 additional new homes.

The Council needs to put in place the governance and is required to allocate the resources necessary to enable the delivery of these schemes.

**Alternative options**

Do Nothing. This option would see the council rely solely on Registered Providers purchasing affordable housing units from private developers under Section 106 Agreements.

Do Something Else. A more comprehensive house building programme can be set up to deliver more homes. This would involve identifying all the land assets owned by the Council and using their market value to cross subsidise the construction of more affordable housing units.

Do Something Different. A number of Local Authorities are going down the route of setting up Development Companies. Under this scenario, the delivery of newbuild housing would sit outside the usual operations of the Council. This structure is used to lever in various sources of funding.

**7. A PROSPEROUS COMMUNITY****7.1 Expansion of Olga Primary School - Adoption of revised capital estimate****DECISION**

1. To approve the adoption of a revised capital estimate of £11.8m for the expansion of Olga Primary School.

**Action by:**

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

(Head of Building Development (P. Watson))

**Reasons for the decision**

In September 2013 Cabinet adopted a capital estimate of £10.7m for the expansion of Olga School. The proposed expansion of the school has been subject to consultation. Following a decision by Cabinet in February 2014, statutory proposals to implement the expansion from September 2016 were

published. The proposals were determined for implementation following the statutory consultation.

The school will expand from 1FE to 3FE and this is to be implemented by rebuilding the existing school within its own site. This project contributes to the overall programme to meet the need for additional school places for the rising school age population. As set out below, the estimated cost of the project has increased and approval is sought to increase the capital budget in order to implement the scheme. A decision is required in order to enter into the contract for the works to ensure availability of the extra school places for September 2016 school year.

### **Alternative options**

The LA has a statutory duty to provide sufficient school places. The expansion of Olga School ensures that the need for places in 2016 can be met. If the scheme does not proceed or is deferred, alternative provision will be required. This is likely to mean temporary provision of accommodation (bulge classes). Due to the lead-in time for development of a permanent expansion, there is not another sufficiently well-developed project which could be substituted.

Where statutory proposals for the expansion of a school have been determined, the LA has a duty to implement the proposals as published (in this case for the extra places to be available from September 2016). Where the LA cannot implement as published, a separate consultation and decision-making process must be followed to vary the original proposal.

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

### **8.1 Extension of Substance Misuse Strategy**

#### **DECISION**

1. To consider the comments of the Overview and Scrutiny as set out in Appendix 1 to the report.
2. To confirm submission of the Extension of Substance Misuse Strategy report as originally reported to Cabinet on 3 September 2014 (Appendices 2-5 to the report).

#### **Action by:**

**SERVICE HEAD, DEMOCRATIC SERVICES (J. S. WILLIAMS) – TO PREPARE THE COUNCIL AGENDA**

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

As part of the Council's Budget and Policy Framework, the Mayor and Cabinet are required to consider the comments of the Overview and Scrutiny Committee before final submission of the policy report to Council on 26 November 2014.

**Alternative options**

This report is required as part of the Council's Budget and Policy Framework.

**9. A HEALTHY AND SUPPORTIVE COMMUNITY**

Nil items.

**10. ONE TOWER HAMLETS****10.1 Fairness Commission: 1 year on****DECISION**

1. To note this report, the monitoring grid in Appendix 1 and the Commissioner Report in Appendix 2 to the report.
2. To agree the recommendation in section 3.5.1 that the research and themes collected and developed through the Fairness Commission are incorporated into the Community Plan refresh.

**Action by:****HEAD OF PAID SERVICE (S. HALSEY)**

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

(Senior Strategy, Policy and Performance Officer (E. Kuper Thomas)

**Reasons for the decision**

The Tower Hamlets Fairness Commission was established in 2012 and published their report "Time to Act" in September 2013. In November the Fairness Commission held an Action Day for services and partners to develop actions in response to the recommendations. At the "Action Day" the Council agreed to produce a 'one year on' report in November 2014 which will provide an update on the progress made in delivering against the recommendations. This report provides the 'one year on' update and suggests that the research and themes collected and developed through the Fairness Commission are incorporated into the Community Plan refresh.

**Alternative options**

Cabinet could decide not to incorporate the research and themes collected and developed through the Fairness Commission into the Community Plan refresh. However this course of action is not recommended as this would mean losing the depth of understanding gathered through the Commission's year long process of community engagement and would not maximise the benefit of the Fairness Commission for the Council or local community.



**10.2 Contracts Forward Plan 2014/15 Q3****DECISION**

1. To consider the contract summary at Appendix 1 to the report.
2. To confirm that all the reports set out in Appendix 1 to the report 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:****ACTING 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 Q3 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.

**10.3 Establishment of a joint committee of the Six Growth Boroughs****DECISION**

1. To approve the disestablishment of the existing Joint Committee of the London 2012 Olympic and Paralympic Host Boroughs and the establishment of a new Joint Committee of the Six Growth Boroughs with immediate effect.
2. To authorise the Head of Paid Service to amend the existing Inter Authority Agreement and Memorandum of Understanding and give effect to any matter necessary to achieve their objectives.
3. To approve the revised terms of reference and membership for the new Joint Committee, as set out in the final appendix to the report, and the

delegation of executive functions once approved by all constituent Authorities.

4. To agree the new arrangements for dealing with matters of concern and joint interest amongst the Growth Boroughs as they relate to legacy, convergence and other associated matters.

**Action by:**

**HEAD OF PAID SERVICE (S. HALSEY)**

(Service Head, Legal Services (D. Galpin))

**Reasons for the decision**

To provide a suitable legal and governance framework for the legacy and convergence work of the Six Growth Boroughs in a post-Olympics environment.

**Alternative options**

The Council could choose to separate from the formal arrangement proposed by the other growth boroughs and collaborate where necessary in an informal way.

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

Nil items.

**12. UNRESTRICTED REPORTS FOR INFORMATION**

**12.1 Exercise of Corporate Directors' Discretions**

**DECISION**

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

**Action by:**

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

(Financial Planning Manager (E. Hussain))

**Reasons for the decision**

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

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

**Alternative options**

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

If the Council were to deviate from those requirements, there would need to be a good reason for doing so. It is not considered that there is any such reason, having regard to the need to ensure that Members are kept informed about decisions made under the delegated authority threshold and to ensure that these activities are in accordance with Financial Regulations.

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

#### **DECISION**

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

- (a) As it was likely, in view of the nature of the business to be transacted in Section Two of the agenda, that if members of the public were present during consideration of this business there would be disclosure of exempt information.
- Exempt information is defined in section 100I and, by reference, Schedule 12A of the Local Government Act 1972 (“the 1972 Act”). To be exempt, information must fall within one of the categories listed in paragraphs 1 to 7 of Schedule 12A, must not fall within one of the excluded categories in paragraphs 8 and 9 and the public interest in maintaining the exemption must outweigh the public interest in disclosing the information.
  - Agenda item 16.1 “Watts Grove – Selection of preferred bidder” contained information relating to the financial or business affairs of any particular person (including the authority holding that information). In particular information relating to the financial affairs of the Council.
- (b) As although there is a public interest favouring public access to local authority meetings, in this case the Cabinet concluded that given the information contained in the above listed reports that the public interest in maintaining the exemption on the information outweighed the public interest in disclosing it.

### **14. EXEMPT / CONFIDENTIAL MINUTES**

Nil items.

**15. OVERVIEW & SCRUTINY COMMITTEE**

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

Nil items.

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

Nil items.

**16. A GREAT PLACE TO LIVE**

**16.1 Watts Grove - Selection of preferred bidder**

**DECISION**

1. To note the details of bidders attached in relation to the linked Part 1 report

**Reasons for the decision**

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

**Alternative options**

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

**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 6.22 p.m.

John S Williams  
SERVICE HEAD, DEMOCRATIC SERVICES