

**LONDON BOROUGH OF TOWER HAMLETS**

**MINUTES 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         |  |

**Apologies:**

|                         |  |
|-------------------------|--|
| Councillor Oliur Rahman | (Deputy Mayor and Cabinet Member for Economic Development (Jobs, Skills and Enterprise)) |
|-------------------------|--|

**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 & Compliance)  |

|                         |  |
|-------------------------|--|
|                         | 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.

## 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

Councillor Rabina Khan, Cabinet Member for Housing and Development, introduced the report. She welcomed the report stating that this was a development of 149 much needed affordable homes.

During discussion of the report she responded to questions agreeing that infrastructure was important to support new housing and that was programmed into the development project. She also responded to the Pre-Scrutiny question from the Overview and Scrutiny Committee explaining that the Best Value review had no impact as the Council was not disposing of the site.

Finally, she highlighted a small amendment to the report although stated that this did not change the report overall.

### 3.9 Original Financial Framework

| Bidder   | Tender Sum                       | Evaluated Score  |
|----------|----------------------------------|------------------|
| Bidder 2 | £22,984,584.60<br>£22,787,334,60 | 60%              |
| Bidder 3 | £23,210,758.00                   | 59.42%<br>58.91% |
| Bidder 1 | £24,980,861.97<br>£24,831,861.97 | 55.21%<br>55.06% |

### 3.10 Overall Evaluation Scores

| Rank | Supplier | Quality Score | Price Score      | Total Score      |
|------|----------|---------------|------------------|------------------|
| 1    | Bidder 3 | 31.20%        | 59.42%<br>58.91% | 90.62%<br>90.11% |
| 2    | Bidder 2 | 26.52%        | 60%              | 86.52%           |
| 3    | Bidder 1 | 29.9%         | 55.21%<br>55.06% | 85.11%<br>84.96% |

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

**RESOLVED**

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.

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

Councillor Rabina Khan, Cabinet Member for Housing and Development, introduced the report. She highlighted that this project would result in 500 new homes by 2015 and that they were working with the Education, Social Care and Wellbeing Directorate to ensure appropriate infrastructure plans were considered.

Responding to the Pre-Scrutiny Question from the Overview and Scrutiny Committee she explained that the Council had examined options for a local lettings plan but that there were restrictions on what you could do. The Council allocation policy did seek to prioritise those with the highest need but that where funding was provided by the GLA there may also be additional restrictions in those cases. She also confirmed that the Council's policy was to bring vacated homes up to a Decent Homes Standard.

During discussion, officers reported that they were looking to find new ways of bidding for funding for new homes but that the process could sometimes be too onerous to make it value for money.

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

### **RESOLVED**

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.

## **7. A PROSPEROUS COMMUNITY**

### **7.1 Expansion of Olga Primary School - Adoption of revised capital estimate**

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

#### **RESOLVED**

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

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

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

Councillor Ohid Ahmed, Cabinet Member for Community Safety, introduced the report.

Responding to the Pre-Scrutiny Question from the Overview and Scrutiny Committee, officers explained that they thought the question was related to the Recommissioning Drugs Services report and that the question would be considered as part of that work.

**RESOLVED**

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).

**9. A HEALTHY AND SUPPORTIVE COMMUNITY**

Nil items.

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

The **Mayor** introduced the report and welcomed the Fairness Commissioners who had come to the meeting to present the report.

The Fairness Commissioners thanked the Council for the hard work of officers and Members in acting on their recommendations so quickly. They particularly highlighted work around housing, public WiFi and tackling poverty as especially welcome. They also called on large businesses with bases in the Borough to improve their support for the Council in this work.

The **Mayor** welcomed the report and thanked the Fairness Commissioners for their work and officers for responding so well to the recommendations. He also backed plans for a London-wide Fairness Commission. He **agreed** the recommendations as set out in the report.

**RESOLVED**

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.

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

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

**RESOLVED**

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.

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

David Galpin, Service Head, Legal Services, introduced the report.

In response to the Pre-Scrutiny Questions from the Overview and Scrutiny Committee (OSC) he reported that the Board would accept the Head of Paid Service instead of a Chief Executive as a Member. He also explained that each Borough's OSC would retain its scrutiny role and he **tabled** the Joint Committees procedure rules for information.

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

#### **RESOLVED**

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.

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

Nil items.

### **12. UNRESTRICTED REPORTS FOR INFORMATION**

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

The **Mayor** considered the report and **agreed** the recommendation as set out.



**RESOLVED**

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

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

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**

The report was considered and the Cabinet were reminded of the amendment tabled earlier in the meeting.

During discussion, officers confirmed that the bidders had signed up to the requirements of the Council for the project and that quality of construction was considered as part of the procurement process.

**RESOLVED**

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

**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