

LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE CABINET

HELD AT 5.35 P.M. ON WEDNESDAY, 7 JANUARY 2015

**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 Peter Golds	(Leader of the Conservative Group)
Councillor Harun Miah	
Councillor Md. Maium Miah	
Councillor Mohammed Mufti Miah	
Councillor Muhammad Ansar Mustaquim	
Councillor Andrew Wood	

Apologies:

Councillor Oliur Rahman	(Deputy Mayor and Cabinet Member for Economic Development (Jobs, Skills and Enterprise))
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Officers Present:

Katherine Ball	(Senior Accountant, Development & Renewal)
Robin Beattie	(Service Head, Strategy & Resources, Communities Localities & Culture)
Stephen Halsey	(Head of Paid Service and Corporate Director Communities, Localities & Culture)
Ekbal Hussain	(Financial Planning Manager, Chief Executive's and Resources)

Simon Kilbey	(Service Head, Human Resources and Workforce Development)
Ellie Kuper-Thomas	(Strategy, Policy and Performance Officer - Executive Mayor's Office, One Tower Hamlets, DLPG)
Paul Leeson	(Finance Manager, Development & Renewal)
Chris Lovitt	(Associate Director of Public Health)
John McDermott	(Deputy Service Head Media Relations and Analysis)
Jackie Odunoye	(Service Head, Strategy, Regeneration & Sustainability, Development and Renewal)
Brian Snary	Financial Accountant - Resources
Meic Sullivan-Gould	(Interim Monitoring Officer, Legal Services, LPG)
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.
- Chris Holme, Acting Corporate Director, Resources
- Aman Dalvi, Corporate Director, Development and Renewal

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS

None were declared.

3. UNRESTRICTED MINUTES

The unrestricted minutes of the Cabinet meeting held on 3 December 2014 were **tabled** for information.

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

Pre-Scrutiny Questions in relation to Items on the agenda

Councillor Joshua Peck, Chair of the Overview and Scrutiny Committee (OSC), **tabled** two pre-scrutiny questions in relation to item 6.2 (Rights of Light – City Pride Development and Island Point Development) on the agenda. The Lead Member responded to the questions during consideration of that item.

5.2 Any Unrestricted Decisions "Called in" by the Overview & Scrutiny Committee - Reconfiguration of Sexual Health Services

The Call-In reference report from the Overview and Scrutiny Committee meeting held on Tuesday 7 January 2015 was **tabled**.

RESOLVED

1. That the original decision taken at Cabinet on 3 December 2014 be confirmed.

6. A GREAT PLACE TO LIVE

6.1 Future of Waste Management Services

This report was withdrawn from the agenda.

6.2 Rights of Light - City Pride Development & Island Point Development

Councillor Rabina Khan, Cabinet Member for Housing and Development introduced the report. She stated that this was not an easy decision to take and provided a detailed introduction to Members highlighting a number of issues including that:

- Applications for high density development continued to increase which posed challenges to the provision of amenity and infrastructure. This included impacting on other residents' 'right to light'.
- Removal of a person's 'Right to light' could have significant impacts and potentially have Human Rights Act implications.
- The developer had requested the Council use its powers to remove the potential for an injunction against the development. Rights to compensation could not, and would not, be removed.
- There were only specific factors the Council could take into account when taking this decision and the financial health of the developer was not one of them. There was no obligation to use these powers.
- The Council must be satisfied that the potential benefits outweighed the potential impacts of the decision.
- Any decision to agree would not represent a precedent and future applications would be considered on their merits.
- There may, in any case, be a settlement between the parties concerned.

Finally, Councillor Rabina Khan responded to the Pre-Decision Scrutiny Questions tabled by the Chair of the Overview and Scrutiny Committee. She set out the powers that the Council could use, how the public consultation had been organized and what the results were.

Members then discussed the report examining a number of issues including:

- Discussing the legality of the decision and the balance with the human rights of residents.

- The level of benefits that the scheme would bring.
- How the amount of light loss had been calculated. Officers agreed to circulate details of the loss of light calculations.
- The need for new housing in the borough.

The **Mayor** thanked Members for their input and stated that use of the power was as a last resort. He considered that on the balance of the potential benefits against impact that he was satisfied to exercise the powers as set out in the report. He **agreed** the recommendations as set out.

RESOLVED

1. To note the risks identified in section 13 of the report.
2. To agree the principle of acquiring the developer's land for planning purposes using S227 powers and disposing of that land to the developer using S233 powers in order to engage S237 powers to enable the development to be carried out.
3. To note the effect of S237 of the TCPA if the Council acquires land for planning purposes.
4. To note the circumstances in which an acquisition may be made for planning purposes.
5. To note the consultation undertaken with affected neighbouring owners and land interests.
6. To note that the use of S237 powers is necessary and proportionate, and that the developer has shown to Council officers, that it has made adequate efforts to reach fair negotiated settlements with affected third parties, and that the developer will continue to do so during the implementation of powers.
7. To agree to enter into agreements with the affected land owners for compensation in respect of rights extinguished under S237 of the TCPA 1990.
8. To agree that the developer should be obliged to apply for consent to the non-material minor amendments summarised in paragraph 10.5 before the Council exercises its S237 powers.
9. To delegate to the Director of Development and Renewal after consultation with the Service Head – Legal Services the powers, to agree the terms of the acquisition and lease and lease back to the developer and to complete the necessary documentation to enable acquisition under S227 of the TCPA 1990 and subsequent disposal or lease back to the developer under S233 of the TCPA 1990, at no cost to the Council.

10. To delegate to the Director of Development and Renewal after consultation with the Service Head - Legal Services the power to take all necessary procedural steps and execute the necessary documents to override all third party rights pursuant to S237 of the TCPA 1990 to facilitate the proposed developments on both the City Pride and Island Point sites.
11. To note that any transfer or lease back of the site to the developer will require the consent of the commissioners appointed by the Secretary of State as detailed in paragraph 15.9 of the report.

Councillors Shahed Ali, Cabinet Member for Clean and Green, and Ohid Ahmed, Cabinet Member for Community Safety, requested that the record note they did not agree with the decision.

7. A PROSPEROUS COMMUNITY

Nil items.

8. A SAFE AND COHESIVE COMMUNITY

Nil items.

9. A HEALTHY AND SUPPORTIVE COMMUNITY

Nil items.

10. ONE TOWER HAMLETS

10.1 Strategic Performance, 14/15 General Fund Revenue Budget and Capital Programme Monitoring Q2

Councillor Aminur Khan, Cabinet Member for Policy, Strategy and Performance, introduced the report. He highlighted that over 90% of strategic plan items were complete or on target and that over 80% had maintained or improved performance from last year. He also reported on areas of risk and the plans in place to improve those areas of performance.

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

RESOLVED

1. To note the Council's financial performance compared to budget for 2014/15 as detailed in Sections 3 to 6 and Appendices 1-4.1 of this report.
2. To review and note the 2014/15 quarter 2 performance for the Strategic Plan and the reportable Strategic Measures in Appendices 5 & 6.

3. To agree a capital estimate of £275,000 for works at White Horse 1 O'Clock Club, as set out in Appendix 4.2.

10.2 Housing Revenue Account First Budget and Rent Setting Report - 2015/16

Councillor Rabina Khan, Cabinet Member for Housing and Development, introduced the report highlighting that this was an annual rent setting report. She explained that the average rent increase for 2015 would be 2.5% which would still result in the lowest rents for this part of London.

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

RESOLVED

1. To agree an average 2015/16 weekly rent increase for tenanted Council dwellings of 2.5%, which equates to an average weekly increase of £2.75 (paras 4.8.7 & 4.8.8) from the first rent week in April 2015.
2. To agree that the average weekly tenanted service charge increase will be £0.20 from the first rent week in April 2015.
3. To agree that, with effect from April 2015, vacated Council properties will be re-let at formula rent.
4. To note that the Housing Revenue Account (HRA) budget will be presented to Cabinet for approval in February 2015.

10.3 Fees and Charges 2015/16

Councillor Alibor Choudhury, Cabinet Member for Resources, introduced the report taking this report and Agenda Items 10.4 (Council Tax Base Report) and 10.5 (General Fund Capital and Revenue Budget and Medium Term Financial Plan) together. The following debate considered all three items and is produced below.

He explained the background to the financial situation for the Council and its goal of protecting front line services, staff and vulnerable residents from the impact of the government funding cuts. He reminded Members of the consultation process that had taken place the previous autumn and how that had influenced the final proposals including by withdrawing a number of proposals such as those around nurseries. Other proposals had been withdrawn for more consultation or had been amended such as those relating to the Muslim and African family service.

He also reported on growth items due to external pressure for areas such as the freedom pass and waste treatment, growth due to strategic issues such as capital project delivery and also growth due to policies such as free school meals and higher education awards.

He considered the proposals to represent a solid budget in draft form and he recommended acceptance of the recommendations.

Cabinet Members discussed the report. They acknowledged the hard work of the Lead Member and officers in compiling the proposals and examined a number of issues including:

- The potential length of the austerity programme.
- The potential impact of cuts and of increased fees such as on small businesses from commercial waste charges, which the Lead Member promised to keep under review.
- The need to be clear on the level of charges on pest control for different groups/users and Councillor Alibor Choudhury agreed to circulate a note to Cabinet Members on the details of the proposed increases to charges to make it clear the residential exclusions.
- Whether the impact on the poor and vulnerable had been mitigated in specific cases.
- The importance of balancing the books.

The **Mayor** thanked Members for their contribution to the debate and their help in preparing the budget. He highlighted how the Council continued to deliver excellent services despite the need to find savings. He **agreed** the recommendations as set out in the report.

RESOLVED

Communities, Localities and Culture

1. To approve the revised fees and charges as set out in Appendix 1 to the report with effect from 1st April 2015.

Development and Renewal

2. To approve the revised fees and charges as set out in Appendix 2 to the report with effect from 1st April 2015.

Education, Social Care and Wellbeing

3. To approve the revised fees and charges as set out in Appendix 3 to the report with effect from 1st April 2015.

Law, Probity & Governance

4. To approve the revised fees and charges as set out in Appendix 4 to the report with effect from 1st April 2015.

Licensing Charges

5. To agree in principle the Licensing charges in Appendix 6 to the report and refer to the Licensing Committee for final approval.

10.4 Council Tax Base Report

The report was introduced by the Cabinet Member for Resources at the same time as Agenda Item 10.3 (Fees and Charges 2015/16) and the full discussion is set out under that item.

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

RESOLVED

1. To approve, in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 1992, that the amount calculated by the London Borough of Tower Hamlets as its Council Tax Base for the year 2015/16 shall be 78,840.

10.5 General Fund Capital and Revenue Budgets and Medium Term Financial Plan 2015/16

The Cabinet Member for Resources introduced this item at the same time as Agenda Item 10.3 (Fees and Charges 2014/15) and the full debate is listed under that item.

The **Mayor agreed** the reasons for urgency as set out in the report.

The report was not published with the main agenda and arguably there were not five clear days between publication and the meeting. The item was, however, properly forward-planned for this meeting and the report was available for public inspection from the day it was added to the agenda and made available to members. The report was not published earlier as it was necessary to consider the Government's provisional 2015/16 Local Government Finance Settlement, which was announced by the Secretary of State on 18 December 2014. It is considered necessary for Cabinet to consider this report to ensure that the budget process goes ahead as planned in time to have a budget in place for 2015/2016.

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

RESOLVED

1. To agree a General Fund Revenue Budget of £290.569m together with the Outline Strategic Plan identifying the key priority activities which will be delivered within this budget and which will be further developed into the Council's Strategic Plan for 2015-2016.
2. To accept the Council Tax Freeze Grant available from the Department of Communities and Local Government for 2015-2016 and thereby agree to continue to freeze Council Tax (Band D) at £885.52 for the new financial year.
3. To agree to propose the items listed below for public consultation and consideration by the Overview & Scrutiny Committee in accordance with the Budget and Policy Framework (Section 16). A further report will then be submitted to the next Cabinet meeting in February detailing the results of consultations and inviting the Cabinet to recommend a Budget Requirement and Council Tax for 2015-2016 to Full Council.

4. To agree to conduct the Budget consultation in line with Section 16 in the body of the report.
5. To consider and comment on the following matters –
 - a. **Budget Consultation**
The approach to the budget consultation with the community and Overview and Scrutiny Committee.
 - b. **Funding**
The funding available for 2015-2016 and the indications and forecasts for future years set out in Section 8.
 - c. **Base Budget 2015-2016**
The Base Budget for 2015-2016 as £293.933m as detailed in Appendix 1.
 - d. **Growth and Inflation**
The risks identified from potential inflation and committed growth arising in 2015-2016 and future years and as set out in Section 9 and in Appendix 3.
 - e. **General Fund Revenue Budget and Medium Term Financial Plan 2015-2016 to 2017-2018**
The initial budget proposal and Council Tax for 2015-2016 together with the Medium Term Financial Plan set out in Appendix 1 and the budget reductions arising.
 - f. **Savings**
Previously agreed and New savings items to be included in the budget for 2015-2016 and the strategic approach for future savings to be delivered are set out in Section 10, Appendix 4.1 and 4.2 of the report.
 - g. **Capital Programme**
The capital programme to 2017-2018; including the proposed revisions to the current programme as set out in section 14 and detailed in Appendices 8.1, 8.2 & 8.3.
 - h. **Dedicated Schools Grant**
The position with regard to Dedicated Schools Grant as set out in Section 12 and Appendices 6.1 & 6.2.
 - i. **Housing Revenue Account**
The position with regard to the Housing Revenue Account as set out in Section 13 and Appendix 7.
 - j. **Financial Risks: Reserves and Contingencies**
Advise on strategic budget risks and opportunities as set out in Section 11 and Appendices 5.1, 5.2 and 5.3.

k. Reserves and Balances

The position in relation to reserves as set out in the report and further detailed in Appendices 5.1 and 5.3

l. Mayor's Priorities

Initiatives proposed by the Mayor are set out in Section 9.9 to 9.14.

11. ANY OTHER UNRESTRICTED BUSINESS CONSIDERED TO BE URGENT

Nil items.

12. UNRESTRICTED REPORTS FOR INFORMATION

12.1 Exercise of Corporate Directors' Discretions

RESOLVED

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

13. EXCLUSION OF THE PRESS AND PUBLIC

No motion to exclude the press and public was passed.

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

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 6.31 p.m.

John S. Williams
SERVICE HEAD, DEMOCRATIC SERVICES