



Meeting of the

TOWER HAMLETS COUNCIL

Wednesday, 16 September 2015 at 7.30 p.m.

A G E N D A

VENUE

Council Chamber, 1st Floor,
Town Hall, Mulberry Place,
5 Clove Crescent,
London E14 2BG

Democratic Services Contact:

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**TO THE MAYOR AND COUNCILLORS OF THE LONDON BOROUGH OF TOWER
HAMLETS**

You are summoned to attend a meeting of the Council of the London Borough of Tower Hamlets to be held in **THE COUNCIL CHAMBER, 1ST FLOOR, TOWN HALL, MULBERRY PLACE, 5 CLOVE CRESCENT, LONDON, E14 2BG** at 7.30 p.m. on **WEDNESDAY, 16 SEPTEMBER 2015**

Stephen Halsey
Head of Paid Service

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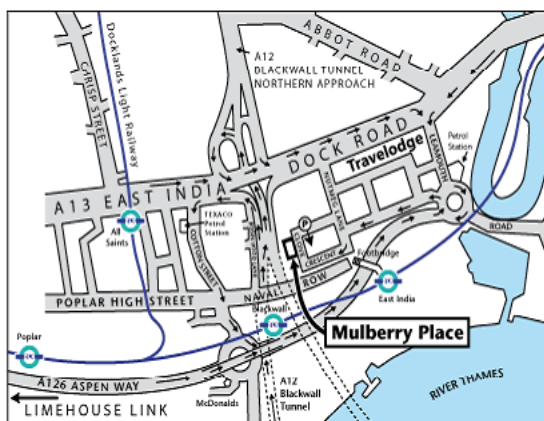
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LONDON BOROUGH OF TOWER HAMLETS

COUNCIL MEETING

WEDNESDAY, 16 SEPTEMBER 2015

7.30 p.m.

	PAGE NUMBER
1. APOLOGIES FOR ABSENCE	
To receive any apologies for absence.	
2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS	1 - 4
To note any declarations of interest made by Members, including those restricting Members from voting on the questions detailed in Section 106 of the Local Government Finance Act, 1992. Please see the attached note from the Monitoring Officer.	
3. MINUTES	5 - 44
To confirm as a correct record of the proceedings the unrestricted minutes of the ordinary meeting of the Council held on 22 nd July 2015 and the extraordinary meeting of the Council held on 26 th August 2015. The draft minutes are attached.	
4. TO RECEIVE ANNOUNCEMENTS (IF ANY) FROM THE SPEAKER OF THE COUNCIL	
5. TO RECEIVE PETITIONS	45 - 46
The Council Procedure Rules provide for a maximum of three petitions to be presented at an Ordinary Meeting of the Council.	
The deadline for receipt of petitions for this Council meeting is noon on Thursday 10 th September 2015. However at the time of agenda despatch, the maximum number of petitions has already been received as set out in the attached report.	
6. TO RECEIVE WRITTEN QUESTIONS FROM MEMBERS OF THE PUBLIC	47 - 50
The questions which have been received from members of the public for	

this Council meeting are set out in the attached report. A maximum period of 20 minutes is allocated to this agenda item.

7. MAYOR'S REPORT

The Council's Constitution provides for the Mayor to give a report at each Ordinary Council Meeting. The written report of the Mayor will be circulated in advance of the meeting.

A maximum of five minutes is allowed for the Mayor to present his report, following which the Speaker of the Council will invite the respective political group leaders to respond for up to one minute each if they wish.

8. TO RECEIVE WRITTEN QUESTIONS FROM MEMBERS OF THE COUNCIL 51 - 54

The questions which have been received from Councillors to be put at this Council meeting are set out in the attached report. A maximum period of 30 minutes is allocated to this agenda item.

9. REPORTS FROM THE EXECUTIVE AND THE COUNCIL'S COMMITTEES

9.1 Annual Report to the Council by the Independent Person 55 - 60

To receive the Annual Report for 2014/15 of the Independent Person appointed in accordance with the provisions of the Localism Act 2011. The Annual Report is attached together with a covering report of the Service Head Democratic Services.

10. TO RECEIVE REPORTS AND QUESTIONS ON JOINT ARRANGEMENTS/EXTERNAL ORGANISATIONS (IF ANY)

11. OTHER BUSINESS

11.1 Review of proportionality and allocation of places on committees 61 - 64

To review proportionality and the allocation of places on the committees of the Council following a change in the political composition of the authority.

The report of the Service Head, Democratic Services is attached.

11.2 Treasury Management Strategy and Investment Strategy Outturn Report for 2014/15 65 - 90

To note the annual treasury report as required by regulations issued under the Local Government Act 2003. The report of the Corporate Director, Resources is attached.

12. TO CONSIDER MOTIONS SUBMITTED BY MEMBERS OF THE COUNCIL

91 - 104

The motions submitted by Councillors for debate at this meeting are set out in the attached report.

13. EXCLUSION OF PRESS AND PUBLIC

In view of the content of the remaining items on the agenda, the Council is recommended to adopt the following motion:

“That, under the provisions of Section 100A of the Local Government Act 1972 as amended, the press and public be excluded from the remainder of the meeting on the grounds that the business to be transacted contains information defined as Exempt in Part I of Schedule 12A of the Local Government Act 1972.”

EXEMPT/CONFIDENTIAL SECTION (PINK)

The Exempt/Confidential (pink) papers for consideration at the meeting will contain information which is commercially, legally or personally sensitive and should not be divulged to third parties. If you do not wish to retain these papers after the meeting please hand them to the Committee Officer present.

14. EXEMPT MOTIONS

The motions submitted by Members for debate at the meeting and containing exempt or confidential information are set out in the report of the Service Head, Democratic Services (attached for Members of the Council).

Agenda Item 2

DECLARATIONS OF INTERESTS - NOTE FROM THE MONITORING OFFICER

This note is for guidance only. For further details please consult the Members' Code of Conduct at Part 5.1 of the Council's Constitution.

Please note that the question of whether a Member has an interest in any matter, and whether or not that interest is a Disclosable Pecuniary Interest, is for that Member to decide. Advice is available from officers as listed below but they cannot make the decision for the Member. If in doubt as to the nature of an interest it is advisable to seek advice **prior** to attending a meeting.

Interests and Disclosable Pecuniary Interests (DPIs)

You have an interest in any business of the authority where that business relates to or is likely to affect any of the persons, bodies or matters listed in section 4.1 (a) of the Code of Conduct; and might reasonably be regarded as affecting the well-being or financial position of yourself, a member of your family or a person with whom you have a close association, to a greater extent than the majority of other council tax payers, ratepayers or inhabitants of the ward affected.

You must notify the Monitoring Officer in writing of any such interest, for inclusion in the Register of Members' Interests which is available for public inspection and on the Council's Website.

Once you have recorded an interest in the Register, you are not then required to declare that interest at each meeting where the business is discussed, unless the interest is a Disclosable Pecuniary Interest (DPI).

A DPI is defined in Regulations as a pecuniary interest of any of the descriptions listed at **Appendix A** overleaf. Please note that a Member's DPIs include his/her own relevant interests and also those of his/her spouse or civil partner; or a person with whom the Member is living as husband and wife; or a person with whom the Member is living as if they were civil partners; if the Member is aware that that other person has the interest.

Effect of a Disclosable Pecuniary Interest on participation at meetings

Where you have a DPI in any business of the Council you must, unless you have obtained a dispensation from the authority's Monitoring Officer following consideration by the Dispensations Sub-Committee of the Standards Advisory Committee:-

- not seek to improperly influence a decision about that business; and
- not exercise executive functions in relation to that business.

If you are present at a meeting where that business is discussed, you must:-

- Disclose to the meeting the existence and nature of the interest at the start of the meeting or when the interest becomes apparent, if later; and
- Leave the room (including any public viewing area) for the duration of consideration and decision on the item and not seek to influence the debate or decision

When declaring a DPI, Members should specify the nature of the interest and the agenda item to which the interest relates. This procedure is designed to assist the public's understanding of the meeting and to enable a full record to be made in the minutes of the meeting.

Where you have a DPI in any business of the authority which is not included in the Member's register of interests and you attend a meeting of the authority at which the business is considered, in addition to disclosing the interest to that meeting, you must also within 28 days notify the Monitoring Officer of the interest for inclusion in the Register.

Further advice

For further advice please contact:-

John Williams, Service Head, Democratic Services, 020 7364 4204

APPENDIX A: Definition of a Disclosable Pecuniary Interest

(Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012, Reg 2 and Schedule)

Subject	Prescribed description
Employment, office, trade, profession or vacation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	<p>Any payment or provision of any other financial benefit (other than from the relevant authority) made or provided within the relevant period in respect of any expenses incurred by the Member in carrying out duties as a member, or towards the election expenses of the Member.</p> <p>This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.</p>
Contracts	<p>Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the relevant authority—</p> <p>(a) under which goods or services are to be provided or works are to be executed; and</p> <p>(b) which has not been fully discharged.</p>
Land	Any beneficial interest in land which is within the area of the relevant authority.
Licences	Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.
Corporate tenancies	<p>Any tenancy where (to the Member's knowledge)—</p> <p>(a) the landlord is the relevant authority; and</p> <p>(b) the tenant is a body in which the relevant person has a beneficial interest.</p>
Securities	<p>Any beneficial interest in securities of a body where—</p> <p>(a) that body (to the Member's knowledge) has a place of business or land in the area of the relevant authority; and</p> <p>(b) either—</p> <p>(i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or</p> <p>(ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.</p>

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LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE COUNCIL

HELD AT 7.30 P.M. ON WEDNESDAY, 22 JULY 2015

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

Members Present:

Mayor John Biggs	Councillor Clare Harrison
Councillor Khaled Uddin Ahmed	Councillor Danny Hassell
Councillor Rajib Ahmed	Councillor Sirajul Islam
Councillor Suluk Ahmed	Councillor Denise Jones
Councillor Ohid Ahmed	Councillor Aminur Khan
Councillor Sabina Akhtar	Councillor Rabina Khan
Councillor Mahbub Alam	Councillor Shiria Khatun
Councillor Shah Alam	Councillor Abjol Miah
Councillor Amina Ali	Councillor Ayas Miah
Councillor Abdul Asad	Councillor Harun Miah
Councillor Craig Aston	Councillor Md. Maium Miah
Councillor Rachel Blake	Councillor Abdul Mukit MBE
Councillor Chris Chapman	Councillor Muhammad Ansar Mustaquim
Councillor Dave Chesterton	Councillor Joshua Peck
Councillor Gulam Kibria Choudhury	Councillor John Pierce
Councillor Andrew Cregan	Councillor Oliur Rahman
Councillor Julia Dockerill	Councillor Gulam Robbani
Councillor David Edgar	Councillor Candida Ronald
Councillor Marc Francis	Councillor Rachael Saunders
Councillor Amy Whitelock Gibbs	Councillor Helal Uddin
Councillor Peter Golds	Councillor Andrew Wood
Councillor Shafiqul Haque	

The meeting commenced at 7.34 p.m.

The Speaker of the Council, Councillor M. A. Mukit, MBE in the Chair

During the meeting the Council agreed to vary the order of business. To aid clarity, the Minutes are presented in the order that the items originally appeared on the agenda. Urgent motions, moved with the agreement of the Council, without notice, are listed at Item 13. The order the business was taken at the meeting was as follows:

- Item 1 - Apologies for absence.
- Item 2 – Declarations of Disclosable Pecuniary Interests.
- Item 3 – Minutes.
- Item 4 – Announcements.
- Items 5.1- 5.3 – Petitions for presentation

- Item 13.1 – Urgent Motion regarding One Housing Group
- Items 5.4– Petition for debate.
- Item 6 – Public Questions.
- Item 7 – Mayor’s Report.
- Item 8 – Members Questions.
- Item 9.1 – Annual report of the Overview and Scrutiny Committee
- Item 11.1 - Amended Regulations: Dismissal Process for Statutory Officers
- Item 11.2 - Review of proportionality and allocation of places on the committees and panels of the Council
- Item 12.1 - Motion regarding the Constitutional Working Group

The Speaker opened the meeting and wished all Eid Mubarak following the the end of Ramadan.

Prior to commencing the Council’s formal business, the Speaker referred to two tragic events that had occurred since the last meeting of the Council.

Firstly, Members would be aware of the awful accident that occurred on Friday 17th July in Mile End Park resulting in the death of a young local girl, Alexia Walenkaki. It was understood that a full investigation was underway into the circumstances of the accident.

Secondly, Members would recall the terrible event that took place three weeks earlier in Tunisia on 26th June, when more than 30 tourists, mostly from Britain, were murdered in a mass shooting.

He invited the Council to stand and observe a minute’s silence in memory of the innocent lives lost.

1. APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of:

- Councillor Asma Begum
- Councillor Shahed Ali
- Councillor Mohammed Mufti Miah

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS

Councillor Candida Ronald declared a personal interest in Agenda Item 5.3, Petition entitled ‘Stop the destruction of long standing communities on the Isle of Dogs’; and a Disclosable Pecuniary Interest in Agenda Item 13.1, urgent motion regarding One Housing; as she was a tenant of One Housing and was also Chair of the Samuda Estate Local Management Organisation. Councillor Ronal left the meeting during consideration of Agenda Item 13.1.

Councillor Mohammed Maium Miah declared a personal interest in Agenda Item 5.3, Petition entitled ‘Stop the destruction of long standing communities

on the Isle of Dogs'; and a Disclosable Pecuniary Interest in Agenda Item 13.1, urgent motion regarding One Housing; as he was an Area Board Member for Island Housing Group, part of the One Housing Group and a leaseholder of a One Housing property. Councillor Miah left the meeting during consideration of item Agenda Item 13.1

Councillor Oliur Rahman declared a personal interest in Agenda Item 5.3, Petition entitled 'Stop the destruction of long standing communities on the Isle of Dogs'; and a Disclosable Pecuniary Interest in Agenda Item 13.1, urgent motion regarding One Housing; as he was a tenant of One Housing. Councillor Rahman left the meeting during consideration of Agenda Item 13.1.

Councillor Ohid Ahmed declared a personal interest in Agenda Item 5.3 Petition entitled 'Stop the destruction of long standing communities on the Isle of Dogs' as he was a Board Member for a Registered Provider.

Councillor David Edgar declared a Disclosable Pecuniary Interest in Item 13.1, Urgent Motion regarding One Housing Group as his wife had a leasehold interest a One Housing property. Councillor Edgar left the meeting during consideration of this motion.

3. MINUTES

RESOLVED

That the unrestricted minutes of the Annual Meeting of the Council held on 20th May 2015 and 24th June 2015 be confirmed as a correct record and the Speaker be authorised to sign them accordingly.

4. TO RECEIVE ANNOUNCEMENTS (IF ANY) FROM THE SPEAKER OF THE COUNCIL

The Speaker welcomed to their first council meeting both the Authority's new Acting Director of Adult Services, Luke Addams; and the new Interim Corporate Director of Children's Services, Debbie Jones.

On behalf of the Council, the Speaker also thanked Meic Sullivan-Gould, who would shortly leave the Authority, for his services as Interim Monitoring Officer since January 2014

Procedural Motion

Councillor Oliur Rahman **moved** and Councillor Mahbub Alam **seconded**, a procedural motion "that under Procedure Rule 14.1.5, Rule 13.1 be suspended to enable an urgent motion regarding 'Trees and Death of a Child in Local Park – Safety of Young Children and Residents in our Parks' to be considered". The procedural motion was put to the vote and was **defeated**.

5. TO RECEIVE PETITIONS

5.1 Petition regarding major works at Lister House and Treves House, E1

Ms Khaleda Maleque addressed the meeting on behalf of the petitioners, and responded to questions from Members.

Councillor Sirajul Islam, Statutory Deputy Mayor and Cabinet Member for Housing Management and Performance, then responded to the matters raised in the petition. He outlined the aims of the Decent Homes Programme and the anticipated costs and the timetable for the works to the blocks. A full options appraisal had been commissioned in the interest of best value and the survey should be completed by the end of August. Every effort had been made to keep residents informed of developments. The Council was also reviewing its policy on the leaseholder repayment period. A report on this matter would be submitted to Cabinet later this year.

RESOLVED

That the petition be referred to the Corporate Director, Development and Renewal, for a written response on any outstanding matters within 28 days.

5.2 Petition regarding the Council's service to the local community

Mr Muhammad Haque addressed the meeting on behalf of the petitioners, and responded to questions from Members.

Mayor John Biggs then responded to the matters raised in the petition. He reported on his commitment to examining, along with the Council's Overview and Scrutiny Committee, the Council's democratic process to ensure that it was open to scrutiny, decision makers were held to account and to ensure services were delivered effectively amongst other aims.

RESOLVED

That the petition be referred to the Directorate of Law Probity and Governance for a written response on any outstanding matters within 28 days.

5.3 Petition entitled 'Stop the destruction of long standing communities on the Isle of Dogs'

Mr Arthur Coppin addressed the meeting on behalf of the petitioners, and responded to questions from Members.

Mayor John Biggs then responded to the matters raised in the petition. He expressed sympathy for the petitioners concerns. He also reported on his plans to attend a meeting with the Chief Executive of One Housing and that

he was working with Councillors across the political spectrum to address the concerns.

RESOLVED

That the petition be referred to the Corporate Director, Development and Renewal, for a written response on any outstanding matters within 28 days.

Procedural Motion

Councillor Dave Chesterton **moved**, and Councillor Andrew Cregan **seconded**, a procedural motion “that under Procedure Rule 14.1.5, Rule 13.1 be suspended to enable an urgent motion regarding ‘One Housing Group’ to be considered”. The procedural motion was put to the vote and was **agreed**.

5.4 Petition Debate - TUSH Housing Co-op, Bruce Road, E3.

An updated report for this item including officers comments was tabled at the meeting.

The Service Head, Democratic Services advised the Council that a petition containing 2,369 signatures regarding TUSH Housing Co-op, Bruce Road, E3 had been brought to the Council for debate under the provisions of the Petition Scheme. The text of the petition was set out in the report circulated with the agenda for the meeting.

Mr Andy Erlam addressed the meeting on behalf of the petitioners and the Council then debated the matters raised by the petition.

Procedural Motion

Councillor Sirajul Islam **moved**, and Councillor Khales Uddin Ahmed **seconded**, a procedural motion – “That under Procedure Rule 14.1.14, Rule 13.1 be suspended to allow an urgent motion regarding TUSH Housing Petition”

The procedural motion was put to the vote and was **agreed**.

Councillor Sirajul Islam **moved**, and Councillor Khales Uddin Ahmed **seconded**, the urgent motion [text of motion as set out in the resolution below].

Following debate, the urgent motion as tabled was put to the vote and was **agreed**. Accordingly it was:-

RESOLVED

This Council notes:

- That a petition was received containing 2,369 signatures on the subject of TUSH Housing Co-op in Bruce Road, E3.

This Council believes:

- That the petitioners have significant support and that therefore their case should be considered.

This Council resolves:

- To call on the Mayor to look closely at this situation and carefully consider the decision made by the previous Mayor.

6. TO RECEIVE WRITTEN QUESTIONS FROM MEMBERS OF THE PUBLIC

The following questions and in each case (except where indicated) a supplementary question were put, and were responded to by the relevant Executive Member:-

6.1 Question from Ms Kathy McTasney

Who made the decision to remove personalised disabled bays, and are they aware of the Equality Act and the right of the person with disability to access, especially to their home? I understand from officers that, I quote, "It was the Councillors that made the decision". So who was the person responsible for this?

I have a personal issue that officers were responsible for removing my daughter's bay because I have a front drive. They clearly weren't interested in the adaptations for the car. As officers made clear there were people not using their bays. Then common sense would be to write a letter and if no response at all, remove the bay. Not threaten disabled people that can't speak for themselves.

In conclusion I ask that you withdraw the removal of all personalised disabled bays and send out letters for reply instead of reapplying, as personally there was never an application made as LBTH (Social Services) and the Ambulance service many years ago applied for this to be allocated because of my daughter's disability?

Response by Mayor John Biggs

The formal answer is that the Council set its policy in 1996 at the Planning and Environmental Services Committee and at the Policy and Information Committee an associated decision of February 2000 amended the procedure to require periodic review and so there are periodic reviews and I certainly

have been petitioned about them by constituents down the years as well. There needs to be a process of review and also a process so you can appeal and challenge that. I think in a Borough where parking is such a massively political issue it's important that people have a right to have such decisions reviewed. It's quite wrong to say that Councillors individually make decisions about this though. It's a Council policy which is to review these allocations from time to time. I would be very surprised if large numbers were withdrawn and certainly the decision I think preceded my election but I might be wrong about that.

Supplementary question from Ms Kathy McTasney

Why would an Officer commission an external Occupational Therapist (OT) to come and assess my daughter for her mobility when the OT arrived and saw my daughter she then said she didn't know why she was sent. I asked the Council to look at the facts. Officer trying to remove the bay, sends external OT to assess a severely disabled person who is 2-1 care. Officer wanting to refuse blue badge so as to remove the bay. This is clearly discrimination and you have to take responsibility for these actions

Mayor John Biggs' response to the supplementary question

I am very happy to go away and to review the way the policy is being implemented. As I understand it, part of the driver behind this has been that the previous Mayor - and I am not making a political point about this - but he set a policy of trying to try to create additional ordinary parking spaces in the Borough which led to Officers reviewing a lot of these disabled spaces and it could be that in some cases people no longer need them. But I would be surprised if in the majority of cases they did not continue to need those spaces. So I am happy to go away and review what's happened and see if we can better implement a policy which is there to serve people, particularly vulnerable people in our community. I know Ms McTasney and I am happy to follow this up outside the meeting

6.2 Question from Mr Dean Morrison, representing Leaseholders of Tower Hamlets (LTH)

Can LBTH offer the Leaseholders of Tower Hamlets (LTH), as sole representative of leaseholders within LBTH properties, a permanent venue in which to conduct their business, and can LBTH provide LTH with any grants or monies taken from the Right to Buy receipts that will enable LTH to fund its activities?

Response by Councillor Sirajul Islam, Statutory Deputy Mayor and Cabinet Member for Housing Management & Performance

Thank you Mr Speaker and thank you Mr Morrison for your question. I am happy to engage with leaseholders on issues about housing services and to support them in their endeavours to improve the service. I have asked Tower Hamlets Homes to seek to facilitate LTH meetings wherever possible. The

Council has a process of advertising vacancies in community buildings which can be shared with LTH. Right to Buy receipts can only be used to fund new housing supply and therefore unfortunately cannot be used for LTH activities. However, you can apply for other relevant grants as they are advertised.

(No supplementary question was put)

6.3 Question from Mr Geoff Juden, Chairman, The East London Garden Society:

I would like to put a question to full council on the advisability of felling 22 trees along the Mile End Road, by TfL, pursuant to the progress of a cycle highway.

I would request the council insist, noting the health concerns in the borough, that TfL either not fell the said trees, replace the trees, or have a concerted planting programme, with specialist plants and regular maintenance, in order to offset the air pollution created with the felling of the trees. Trees are the most effective method nature has in cleansing the air, therefore with 7,500 Londoners dying this year from air pollution, we should all do what we are able to improve our population's lung quality?

Response by Mayor John Biggs

Very briefly, we discussed this before, myself and Mr Juden, and I am very pleased that he has brought this to the Council. Council Officers have been talking to TfL about replacing the trees. What he does not mention is of course is that of the 22 trees, 3 of them are actually mature trees, they were massive things which clearly can't be replaced and their loss is a greater loss, in my opinion, than the other 19 which are relatively less mature trees and can be replaced. Up until now TfL have only identified sites for 4, I think, of the replacement trees and the Council are pressing them to find the other 18 holes that they can place trees into and this may include adjoining Council land but trust me we are very committed to ensuring that the Borough maintains its tree cover and increases it.

Supplementary question from Mr Geoff Juden

There are many ways in which you can plant trees. You can put trees in tubs on pavements. We can have a whole planting programme with specialist planting operations. I would urge this Council to involve the local community organisations who are also involved with the redressing of air pollution in this Borough, to have an understanding of what they can do. It's not just about replacing the trees but about having a planting programme that you can engineer a very satisfactory solution for everyone.

Mayor John Biggs' response to the supplementary question

I agree with you.

6.5 Question from Ms Shuily Akthar

How many Free School Dinners were served since its introduction and how many children have benefited?

Response by Councillor Rachael Saunders, Deputy Mayor and Cabinet Member for Education and Children's Services

I hope to be able to work with Officers now to improve the tracking of free school meals. But in summary there are three schemes in operation. There is the Mayor's Meals Scheme in 2014 which provided meals for reception year one pupils; the Government's Universal Infants Free School Meals scheme also in 2014 for reception year one and two pupils; and the Tower Hamlets Universal junior free school meal scheme from the 1st September 2014 which was for years 3-6. Unfortunately it has not been possible to give me a cumulative figure for all of these schemes. However, in January 2015 there were 6632 pupils in years 3-6 who wouldn't normally be eligible for free school meals but who have that opportunity because of the programme that was brought in by this Council.

I was in the Labour Group in 2009 when Councillors including Carlo Gibbs and Motin Uz-Zaman and others, who are sitting here today, asked the then Leader of the Council, Luftur Rahman to include free school meals in his budget that year and he refused. He said that there was no money. I was also here when, as part of the John Biggs election campaign, we fought very hard in this Council Chamber for free school meals and after a lot of campaigning and lot of hard work, Luftur Rahman finally agreed and it was introduced. This Labour Administration is absolutely committed to continuing with the Labour Policy, implemented before us in Newham and Islington. Please be assured that this is a policy that we have fought hard for and we will continue to implement.

Supplementary question from Ms Shuily Akthar

Will the current Mayor please tell me if you intend to carry on the University Grants in Tower Hamlets?

Summary of Councillor Rachael Saunders' response to the supplementary question

The grants continue to be funded this year. We are reviewing how to make the programmes as effective as possible.

Procedural Motion

Following the consideration of question 6.5, Councillor Oliur Rahman **moved**, and Councillor Rabina Khan **seconded**, a procedural motion "that under Procedure Rule 14.1.5, Rule 13.1 be suspended to enable an urgent motion regarding the 'Tory Government's Welfare Reform Bill' to be considered".

The Speaker agreed that the meeting would adjourn briefly for five minutes to allow Members to consider the tabled motion. Following which, the procedural motion was put to the vote and was **defeated**.

6.7 Question from Mr John Allison

Could Mr Biggs tell me the number of strategic and regeneration developments on site giving the Borough the potential for much needed housing, infrastructure and community benefits?

Response by Mayor John Biggs

It depends on one's definition, but there are at least half a dozen such regeneration schemes on site in the Borough that I am aware of and there are many others in preparation. We are happy to discuss them with local communities and their possibilities and threats at the same time.

Supplementary question from Mr John Allison

I wanted to give credit and I wonder if the Mayor would acknowledge that to the contribution that the last Lead Member for Housing made to ensuring that there are enough suitable sites for future regeneration and housing within the Borough. So it's just an acknowledgment to all the work that was done by Mrs Khan around this problem that the Borough has.

Mayor John Biggs' response to the supplementary question

I think that Councillor Rabina Khan made a very positive contribution on the previous debate about the housing co-operative and I want to take her positive contributions down the years in the light in which they were made. Clearly there are many other things that she has been responsible for which and I am less enamoured of but these meetings are not here for us to assassinate each other's characters, they are there for us to discuss the future of our Borough.

One of the things that worries me enormously about the regeneration schemes, about which there have been many boasts, is the issue of what I would call real affordability where we talk about affordable housing but very often the housing that is supposedly affordable simply isn't affordable for the people on the sorts of incomes that many people in our Borough have. So we have affordable home ownership schemes with six, seven hundred thousand pounds on their price tag and that is clearly not affordable. We have affordable rented properties at formula rents which are £200 a week or more for a one bedroom or smaller property and those properties I think we need to examine very closely our regeneration policies to ensure we are really addressing the needs and demands within our communities.

Questions 6.4, 6.6 and 6.8 were not put due to the absence of the questioners. The Service Head, Democratic Services stated that written responses would be provided to the questions. (Note: The written responses are included in Appendix 'A' to these minutes.)

7. MAYOR'S REPORT

Procedural Motion

Before the consideration of the Mayor's report, Councillor Craig Aston **moved**, and Councillor Chris Chapman **seconded**, a procedural motion "that Procedure Rule 2.1.7 be suspended to enable the Mayor to address the meeting for a maximum of eight minutes and to allow Group Leaders to respond for up to three minutes". The procedural motion was put to the vote and was **defeated**.

The Mayor made his report to the Council, referring to his written report that was included in the agenda and summarising some his actions over the past period, current reviews and aspirations for the future

When the Mayor had completed his report, at the invitation of the Speaker the Leaders of the other political groups then responded briefly to the Mayor's report.

8. TO RECEIVE WRITTEN QUESTIONS FROM MEMBERS OF THE COUNCIL

The following questions and in each case (except where indicated) a supplementary question were put, and were responded to by the relevant Executive Member or Chair of Committee:-

8.1 Question from Councillor Danny Hassell

Does the Mayor intend to provide some form of monthly report detailing engagements and other important town hall business undertaken?

Response by Mayor John Biggs

Yes, I intend to produce a regular report to these meeting and also to work with the Constitutional Working Party to see how we can better improve the accountability of the Mayor which is after all a fairly powerful position.

(No supplementary question was put)

8.2 Question from Councillor Oliur Rahman to the Mayor and his Cabinet

Will you be carrying on with the Whitechapel Vision project and the move of the current Town Hall to the heart of community in Whitechapel as part of key

jigsaw piece of wider regeneration, as initiated by the previous Mayor's administration?

Response by Mayor John Biggs

Yes, I support the Whitechapel Master Plan and the vision for the area but we are looking at the costings and alternative proposals for a Town Hall as we think it's our responsibility to do that. We welcome that the previous Mayor secured the site at Whitechapel as it's an attractive site but we need to look at the numbers to see whether it's the best site in terms of the interests of the Borough and the other uses to which those monies could be applied as it is quite an expensive option. There may be other options which are more affordable. We need to balance questions of access and costs against each other and look at the other things that we may be able to do for local people.

Supplementary question from Councillor Oliur Rahman

Would you support a new town hall in Whitechapel - yes or no? Or are you planning to move the town hall to Cambridge Heath Road, the old council building?

Mayor John Biggs' response to supplementary question

If the numbers work, then yes.

8.3 Question from Councillor Amina Ali

Mr Mayor, how many community events or visits have you undertaken since taking office?

Response by Mayor John Biggs

By my estimate, I have attended 31 community events from 15th June 2015 to 12th July 2015 and that does not include other visits to partner organisations. I intend to try and make one visit each day but anyone who has occupied the position of Leader or Mayor will know that the demands on your time are such that this is not always possible.

(No supplementary question was put)

8.4 Question from Councillor Andrew Wood

Developers are proposing to provide much needed new schools at Wood Wharf, Westferry and Wapping print works but there is no indication yet who will operate those new schools. The Mayor will be aware that current legislation requires that new school sites can only be occupied by academy and free school providers.

Will the Mayor be using his powers under Section 6A of the 2011 Education Act to encourage the highest quality applicants for these new sites or will they be left empty?

Response by Councillor Rachael Saunders, Deputy Mayor and Cabinet Member for Education and Children's Services

Of course the Mayor will use every power available to him to ensure that all school provisions including the schools on this site will meet the highest possible quality standards. At present, there is no confirmed development timetable and the decision on commissioning the places will be part of the programme of decisions to procure the buildings and to mobilise for the agreed opening date of the new school places.

There is a need to bring forward development of the new schools. Any blockages under the previous Mayor need to end. Many of us don't support this ideologically drive behind the current Government agenda. We support collaboration and cooperation not competition.

Education for our children is what matters and that will never be sacrificed for political gain. The problems with school places shortages, whilst clearly acute on the Isle of Dogs, affects all of our Borough and has to be resolved.

(No supplementary question was put)

8.5 Question from Councillor Rajib Ahmed

Will the Mayor update the council on how he aims to build a culture of transparency within the council?

Response by Mayor John Biggs

In my election campaign, I gave a very clear pledge to be to be open and transparent. Indeed I've done work in this area at City Hall in my other job soon to come to an end.

This evening I presented as part of this, my first written report which I will do regularly and last week I attended my first meeting of the O&S committee which I will attend regularly, hopefully not to the point they get fed up of seeing me. But I think it's important to be transparent and that means being accountable for decisions that you will be making. I expect Cabinet Members who will be involved in decision making to do the same.

In an addition, I want to produce over the summer what I call a transparency protocol which is a description of the ways in which the Mayoralty can be more transparent. I am really keen to work in partnership with the Chair of O&S to secure this and to allow Councillors to insert their ideas into the way this works as well. I know that Councillor John Pierce as Chair of O&S wants to make this a priority for this Committee and there is room for both of us in this direction.

Supplementary question from Councillor Rajib Ahmed

I'm very pleased you have been speaking so many times. In the past the ex-Mayor has stopped the Speaker of Council using the Council Chamber to carry out their duties. Can you assure us that you are going to let the Speaker carry out his duties using the Council Chamber and if any Councillors need to do that?

Mayor John Biggs' response to the supplementary question

That is an important supplemental question. It's not one of those hard hitting Executive Functions about whether we build houses in one place or schools or whatever. But I think the dignity of the Council is very clearly represented by the Speaker of the Council and the office they hold and the way they represent the Council around the Borough. So one of the decisions that I have made is about (a) reducing the size of my office physically and also (b) re-providing a parlour for the Speaker of the Council to entertain people and which may occasionally be used by myself and other people receiving delegations.

It's important that the Council has a presentable shop front and we show respect and dignity to the office holder. In some Boroughs the elected Mayor, wears the chain I won't be doing that. I think it's a healthy relationship having a civic mayor or speaker who wears the regalia. I do quite like the Stepney one but I'm not that vain to wear it.

8.6 Question from Councillor Abjol Miah

Can our New Tower Hamlets Executive Mayor confirm whether he intends to continue with the long awaited demand by Tower Hamlets residents for a reduced cost Community Burial Service for the most needy poor, and if so does he intend to make any changes to the scheme?

Response by Councillor Sirajul Islam, Statutory Deputy Mayor and Cabinet Member for Housing Management & Performance.

Before I respond can I welcome Councillor Abjol Miah as a new independent, Independent Member of this Council.

The Mayor and I have discussed this issue. The Council has entered into long-term management agreement for a period of 125 years with the memorial property investment Ltd Kendal Park Cemetery Chislehurst, Kent which will provide 3000 burial plots and the purpose of the agreement is to provide a multi-faith burial service of reduced costs to residents in the Borough. There are no plans at this time to vary the agreement. Officers reviewing the operational implications of the agreement will advise on the specific implications shortly.

Supplementary question from Councillor Abjol Miah

How soon will this service be made available for Tower Hamlets residents?

Councillor Sirajul Islam, Statutory Deputy Mayor and Cabinet Member for Housing Management & Performance's response to the supplementary question.

The service is already operational. I have visited the site myself last month and there were already some burials taking place.

8.7 Question from Councillor Sabina Akhtar to the Chair of the Overview and Scrutiny Committee

Can the Chair of the Overview and Scrutiny Committee tell the Council what themes his committee will be considering this year?

Response by Councillor John Pierce, Chair of the Overview and Scrutiny Committee

As Chair of Overview and Scrutiny this year you will hear me say mainly three words, transparency, transparency and transparency. This Council will need to make very difficult decisions over the next few years and I'm keen to ensure that O&S helps to ensure that these decisions are made in an transparent and open way in public with clear reasons provided not in private behind closed door.

All political parties made pledges during the elections we must now deliver on this. That's why on Monday 27th July, O&S will launch a transparency commission working with Members, officers, political parties inside and outside of the chamber, local groups and most importantly residents. We will bring forward proposals to the Mayor and his Cabinet for a new settlement to bring this Council back on track to become a beacon of transparency in this country.

Supplementary question from Councillor Sabina Akhtar

Can you clarify the agenda and who will be attending the next committee?

Councillor John Pierce, Chair of the Overview and Scrutiny Committee's response to the supplementary question

Well, I've set the agenda, and I've invited a few people to come along. When we think about transparency a few names in this Borough come to our minds so that's why I've invited citizens and journalists such as Ted Jeory and the editor of 'Love Wapping' to come along and give their views on how they have been holding us all to account and the reality of their experiences with the administration and the fun they had over the last few years.

We will also ask licensing officers to come along to discuss issues around making licensing decisions more open in public. We will also ask planning officers to come along to discuss the key issue for residents and Members of the Committee at the moment which is lack of information and lack of visual content for us to make informed decisions. But also to discuss the big issue for London and Councils like ourselves which is the viability assessments and making them in public. Freedom of information is also very important.

8.8 Question from Councillor Rabina Khan to the Mayor and his Cabinet

Will Mayor Biggs refuse a Compulsory Purchase Order for East End Homes, if they seek to demolish Holland Estate?

Response by Councillor Rachel Blake, Cabinet Member for Strategic Development

As you probably know East End Homes has not brought forward a request for a CPO on the Holland Estate. If they did we would have to carefully consider the merits of the case put forward but if the proposal was along the lines that the residents and we have all seen, we would have to seriously question if the proposal met the regeneration, social and affordability objectives of this administration.

Supplementary question from Councillor Rabina Khan

Previously we heard from petitioners who came to Full Council regarding Holland Estate. However, the answer you have given Councillor Blake doesn't actually clarify whether if, in the event they sought a CPO for the demolition of Holland Estate, that you would reject it?

Councillor Rachel Blake's response to the supplementary question

Councillor Khan, as you know we would have to consider the merits of any request in the same way we would for any Housing Association. I haven't yet found out if you ruled it out entirely. And so as I've said we would be under an obligation to consider the full merits and we would have to seriously question whether or not the proposals that they have brought forward met the objectives of this administration.

8.9 Question from Councillor Denise Jones:

Can the Mayor update the Council on his plans to reduce the size of the Mayoral office?

Response by Mayor John Biggs

We are still consulting on a structure but it won't involve the team of advisers the previous Mayor had and in particular, if we are going to be an effective

Council, we should work with the policy advice that exists for the rest of the Council. It seems clearer to me that the previous Mayor for whatever reason almost had a duplicate set of advisers. There's a very good policy function in the Council that the Mayor should be using.

I thought you would be asking me about the money saving for the Council. I don't know what they will be but I'd be disappointed if we didn't save more than £250,000 in the running of the Mayor's Office. That's separate from the savings of the floor space in a town hall where there are only 6 desks for every 10 employees as we have a home working policy and hot desking policy. So for Members to have ostentatious accommodation which quite often they won't be in, seems silly in my opinion.

(No supplementary question was put)

8.10 Question from Councillor Julia Dockerill

Will the Mayor support the provision of an easily-accessible, council-run community centre/Ideas Store in St Katharine's and Wapping ward that is open and available to all residents?

Response by Mayor John Biggs.

I think the formal answer to that is the Town Hall Strategy is being reviewed and as part of that we need to look at the way in which the Council provides services to people through one stop shops and through others bases. There is not currently a formal proposal to do that but if you have a proposal then we would have look at that. I think that the problem that you will always have in Wapping, a place that I used to live in and moved back to today actually, is it's a lovely little community but it's quite small in terms of the demands for a full Council office space and so you would need to look at how people particularly excluded people in Wapping can access services. That may involve such things as making it easier to cross the highway which is a more substantial point than you might think and making Wapping feel and be to a greater extent part of the wider Tower Hamlets community.

Supplementary question from Councillor Julia Dockerill

I would like to welcome the Mayor to my ward. An excellent location that he has chosen. Would you be able to provide me a list of all the Council assets in my ward and who they are run by so that we can have an understanding of what is available there as public space.

Mayor John Biggs' response to the supplementary question

I would very interested to see such a list myself so yes.

8.11 Question from Councillor Helal Uddin

Mr Mayor, is it your intention to attend meetings of the Overview & Scrutiny Committee?

Response by Mayor John Biggs

Well I welcome your question and the answer is yes.

(No supplementary question was put)

8.12 Question from Councillor Ohid Ahmed to the Mayor.

I understand that the first ever staff conference of the borough went ahead on 25th June 2015 despite it falling within the holy month of Ramadan. I believe that morning breakfast was offered amongst refreshment breaks to staff with much pomp and grandeur to the behest of those who were observing their faith and those who felt left out and demotivated and somewhat belittled by the event taking place when they are obligated to fast. As a borough that is home to the largest proportion of Muslims in London, I find it troubling that basic etiquettes have been forgotten. Do you agree with this sentiment? If so why what did you do to stop this happening?

Response by Councillor David Edgar, Cabinet Member for Resources

I will respond as Human Resources falls within my remit. The conference was one that was organised and publicized widely before the Mayoral election took place and it was seen important to have that conference shortly after the election because clearly there were a number of things that members of staff might want to talk about and raise. I am told that the Head of Paid Service wrote to the Mayoral candidates before the election to tell them that the conference was going to take place and to invite them to speak if they were successful in that election.

I am also told that the Head of Paid Service wrote to Group Leaders explaining about the conference given the rationale for the conference and telling them about the format and date of the conference and that no representations came from Group Leaders or Mayoral candidates about the date. There were no concerns expressed about the date of the conference.

I have also been told that the Head of Paid Service discussed the consequences of holding the conference during Ramadan with the Chair of the Muslim Staff Forum before the event was publicized and the Head of Paid Service asked for any suggestions about anything that could be included in the event that could make it easier for Muslim staff to attend.

As it happens, it seems that the event was seen as very successful by the majority of staff. 82% of staff rated the conference as excellent or very good or good. And I think all those staff attending it did find it very helpful event at

that particular point and they found it very helpful I think to ask questions of the Mayor who had been elected.

Supplementary question from Councillor Ohid Ahmed

Yes. I have the e-mail. Thank you Mr Mayor. I had a response from him and very quickly this is what he said in his short response. I was not convinced though. The reason I was not convinced was that one thing I was told that all candidates were consulted. Clearly, Councillor Rabina Khan was not consulted. I did not know anything about it as a member of the previous administration. Otherwise, I would not be raising this question because this did not happen in the past. I know former leader Councillor Denise Jones, she respects all. We work together to bring harmony amongst our staff and it is important that we have a staff force who actually works shoulder to shoulder to make our Borough better. We cannot as politicians do it without their support. You cannot expect Muslim staff to come and complain. It is quite frustrating.

I want an assurance that this will not happen again.

Councillor David Edgar, Cabinet Member for Resources' response to the supplementary question

I am certainly told that the Head of Paid Services did write to all the Mayoral candidates. If the e-mail did not reach any of those Mayoral candidates then clearly that's unfortunate. But that's what I have been told about the process that was followed. It seems to me that it was a good idea to follow that process. It was a good idea to consult with people to give them the opportunity to air any concerns they had about the date of it. It does seem to me that it was a format for a conference event that worked well.

Staff, as I have said did respond very positively to it. If there is anything that can be learned about from the way in which it worked then I am sure that the Council would be very keen to learn them and if there were people who were offended in any way by the timing of the event or the way in which it was arranged in the organisation, I am sorry that they were offended. But I think that the Council took the right steps to think about an opportunity for people to ask questions and to hear from a new Mayor, whoever that Mayor was going to be, we didn't know in advance of the election clearly and to discuss those issues and it was very well attended.

To the extent that there are any lessons that can be learnt, but am sure that staff will have thought about the points that had been made and will use those points in the thinking about planning of the similar conferences.

8.13 Question from Councillor Andrew Cregan

Can the Deputy Mayor for Education and Children's Services outline some key priorities for this year?

Response by Councillor Rachael Saunders, Deputy Mayor and Cabinet Member for Education and Children's Services

My key priorities will be working with the Mayor to deliver his manifesto commitments including improving our high quality early years provision to ensure it delivers the most for the children who need it most; strengthening our schools including the role of governors; sorting out school places; continuing to provide free school meals and the Education Maintenance Allowance; reviewing the youth service to make sure that our youth services are even across the Borough and delivered properly fairly within the law and are of high quality.

Supplementary question from Councillor Andrew Cregan

Thank you Councillor Saunders for that answer which is very encouraging. More specifically on a matter relating to my ward, could you say how you might be able to support improvements to George Green School.

Councillor Rachael Saunders' response to the supplementary question

George Green is an excellent school and has been a real team player. The Head Teacher gave the opportunity for a building project to another school in Bethnal Green rather than take it for themselves so I think we should be very grateful to the contribution that George Green has made to our family of schools. They are improving their results and doing well. I met the Head Teacher there a couple of weeks ago and I would be very glad to continue to work with George Green and with communities on the Isle of Dogs in continuing the improvements in that school.

The remaining questions 8.14 - 8.22 were not put due to a lack of time. The Service Head, Democratic Services stated that written responses would be provided to the questions. (Note: The written responses are included in Appendix 'A' to these minutes.)

9. REPORTS FROM THE EXECUTIVE AND THE COUNCIL'S COMMITTEES

9.1 Annual report of the Overview and Scrutiny Committee

Councillor John Pierce, Chair of the Overview and Scrutiny Committee, presented the committee's Annual Report for 2014-15. Councillor Pierce **moved**, and Councillor Peter Golds **seconded**, the recommendation contained in the report.

RESOLVED

That the Council note the contents of the Annual Report of the Overview and Scrutiny Committee for 2014-15.

10. TO RECEIVE REPORTS AND QUESTIONS ON JOINT ARRANGEMENTS/EXTERNAL ORGANISATIONS (IF ANY)

There was no business to transact under this agenda item.

11. OTHER BUSINESS**11.1 Amended Regulations: Dismissal Process for Statutory Officers**

The Council considered the report of the Interim Monitoring Officer and Service Head, Human Resources and Workforce Development, proposing amendments to the Council's Officer Employment Procedure Rules to provide a new process for the dismissal of Statutory Officers as required by legislation.

The recommendations set out in the report were put to the vote and were **agreed**. Accordingly it was:-

RESOLVED

1. That the new process for dismissal of a statutory officer be noted.
2. That the Officer Employment Procedure Rules in Part 4 of the Constitution be amended as set out in Appendix 1 to the report of the Interim Monitoring Officer and Service Head, Human Resources and Workforce Development to reflect the change in process.
3. That a further report be considered by the Human Resources Committee that deals with the detail of the process and makes proposals on the outstanding issues as identified in the report.

11.2 Review of proportionality and allocation of places on the committees and panels of the Council

The Council considered the report of the Service Head, Democratic Services, setting out the position regarding proportionality and the allocation of Committee places following a change in the political composition of the Council.

The recommendations set out in the report were put to the vote and were **agreed**. Accordingly it was:-

RESOLVED

1. That the review of proportionality as at section 3 of the report be noted and the allocation of seats on committees and panels be agreed for the remainder of the Municipal Year 2015/16 as set out at paragraph 4.1 of the report.
2. That Members and deputies be appointed to serve on those committees and panels in accordance with nominations from the political groups to be notified to the Service Head, Democratic Services.
3. That the single ungrouped Councillor be appointed to the vacant position on the Appeals Committee remaining after the allocation of places to the political groups.

12. TO CONSIDER MOTIONS SUBMITTED BY MEMBERS OF THE COUNCIL**12.1 Motion regarding the Constitutional Working Group**

Councillor Craig Aston **moved**, and Councillor Peter Golds **seconded** the motion as printed in the agenda.

Following debate, the motion was put to the vote and was **agreed**. Accordingly it was:-

RESOLVED:

This council notes that:

1. Since October 2010 the council has operated under an Executive Mayoral model in which most functions of the council are in the hands of the Executive Mayor.
2. The size of the council was reduced from 51 to 45 in 2014, in part due to arguments about how the work of councillors and the structure of the council could be revised with fewer members.
3. Apart from necessary changes to the constitution to account for the transfer of executive powers, no thorough revision of the structures of the council was carried out, and no such revision has been carried out since.
4. Tower Hamlets is one of only 9 boroughs in London out of 32 with a single Overview and Scrutiny Committee as opposed to a number of scrutiny bodies.

This council notes further:

1. Although a formal scheme of delegation exists, executive powers have never been formally delegated. Responsibility for executive actions therefore rests exclusively with the Executive Mayor.

2. The outgoing Executive Mayor had not answered a single question at Full Council since 2012 and usually his only interaction with Full Council meetings was his 5-minute report, where he generally talked about matters irrelevant to his duties as Executive Mayor.

3. The outgoing Executive Mayor attended just 4 Overview & Scrutiny Committee meetings in a tenure of four and a half years.

4. The council further notes that the newly elected Mayor, attended and responded to a call in at the most recent Overview and Scrutiny Committee.

This council notes further:

1. The intervention of the Department for Communities and Local Government in sending the auditors, PricewaterhouseCoopers, to this council.

2. The subsequent report of PricewaterhouseCoopers, which made severe criticisms of the actions and lack of accountability of the outgoing administration.

3. The further intervention of DCLG in sending Commissioners into this borough to exercise certain executive powers.

This council believes that:

1. The structures left in place at the transfer to an Executive Mayoral model in 2010 are, and were, not sufficient to ensure genuine scrutiny and accountability of an Executive Mayoral administration.

2. Those structures have plainly failed, resulting in DCLG intervention.

3. A revision of those structures is both necessary and desirable.

The council resolves that:

1. The Constitutional Working Group be convened to consider revisions to the constitution which would strengthen scrutiny, oversight, and executive accountability.

2. The legal department provide all necessary assistance to the Constitutional Working Group.

3. That proposals for revisions to the constitution should be brought back to Full Council within six months of the date of this meeting.

Procedural Motion

Councillor Oliur Rahman **moved** and Councillor Rabina Khan **seconded**, a procedural motion “that under Procedure Rule 15.11.7 the meeting be

extended to enable the consideration of Motion 12.3 regarding Safeguarding against radicalisation

The procedural motion was put to the vote and was **defeated**

Motions 12.2–12.6 were not debated due to lack of time.

13. URGENT MOTION

The Council agreed to suspend Procedure Rule 13.1 to enable the following urgent motion to be debated without notice:

13.1 Motion regarding One Housing Group

Prior to the debate on this motion, the Interim Monitoring Officer advised the Council. He noted that a number of Members had declared a personal interest in Petition 5.3 arising from a connection of some kind with One Housing. He reminded Members of the provisions of the law and the Council's Code of Conduct regarding declarations of interest and stated that all Members would need to consider for themselves whether any interest they may have in the urgent motion to be debated represented a Disclosable Pecuniary Interest.

Councillors David Edgar, Mohammed Maium Miah, Candida Ronald and Oliur Rahman left the meeting during consideration of this urgent motion.

Councillor Dave Chesterton **moved**, and Councillor Andrew Cregan **seconded**, the motion as **tabled**.

Councillor Peter Golds **moved** and Councillor Chris Chapman **seconded** an amendment to include in the motion a resolution 'That a meeting should be arranged with Brandon Lewis MP, Minister for Housing to brief him on this motion'.

Councillors Dave Chesterton and Andrew Cregan indicated that they accepted the amendment, and altered their motion accordingly.

Following debate the motion as amended was put to the vote and was **agreed**. Accordingly it was:-

RESOLVED

This Council notes that:

- Following a stock transfer ballot in 2005, Toynbee Island Homes (a subsidiary of Toynbee Housing Association) took over four local authority estates on the Isle of Dogs: Samuda, St Johns, Barkantine and Kingsbridge. These four estate comprise 2,027 homes;

- In their offer document, Toynbee Island Homes promised that the transferred homes would be run by a board with residents in the majority: 15 members of which eight would be elected residents.
- In 2007 Toynbee Housing Association merged with Community Housing Association. The merged organisation, One Housing Group (OHG), took control of the four Island estates;
- In 2012 OHG wound up Island Homes and introduced area resident boards, with no decision-making powers;
- Residents on the four estates found their homes being owned by a very different landlord from the one which they had been promised and they still feel quite aggrieved;
- OHG has consistently performed poorly in terms of repairs, refurbishments, improvements and accounting. Leaseholders are particularly concerned that OHG is deliberately running down the estates in order to reduce property values;
- In 2014 OHG produced a 52 page report 'Project Stone' setting out proposals to replace all 2,027 homes with up to 10,000 properties, the majority for private sale. OHG still hasn't adequately informed residents of these proposals;
- Following the 2014 council election the repairs and maintenance problems raised by residents were so bad that Island councillors agreed to work on a cross-party basis to tackle OHG;
- In January 2015 OHG embarked on a 'Cross Island Conversation' asking residents what they thought of their homes, estates and living on the Island. No mention was made of their proposals to redevelop the four estates; they wrote to residents saying "As yet – and despite the many rumours you may have heard – One Housing Group does not have a plan in place";
- In spite of OHG's persistent denials, it has held meetings with planners in both the GLA and Tower Hamlets to discuss Project Stone & the submission of a planning application, possibly by the end of 2015;
- A recent interim report of the 'Cross Island Conversation' revealed:
 - Residents have no trust or confidence in their landlord;
 - Inflexibility and lack of respect on the part of OHG – residents do not feel supported or cared for;
 - Problems with repairs, and the high cost and poor management of major capital works;
 - Poor, inconsistent, inaccurate unfriendly communications;
- In 2012 OHG agreed to purchase 123 S106 units at Indescon Court on the Island from the developer. The original S106 agreement in 2008 had assumed that these units would be available at social rent. OHG negotiated with the developer on the basis that higher affordable rents could be charged. These rents range from £977.99pcm for a 1 bed to £1126.92pcm for a 4 bed. The Council has made it clear to OHG that rents at this level are against the spirit of the original S106 agreement;
- Under current legislation, tenants of stock transferred properties have no right to a re-ballot and choose an alternative Registered Provider.

This Council believes that:

- OHG has failed to deliver on the promises made in the stock transfer offer document by its predecessor Toynbee Island Homes;
- OHG has a poor record of managing its major works programme as well as its maintenance and repairs services;
- OHG has developed proposals to redevelop the 2,027 homes that make up its four Island estates, but has steadfastly refused to inform its residents about these proposals;
- OHG's own consultation exercise shows residents have little trust or confidence in their landlord;
- OHG's proposed rents at Indecon Court have the potential to increase profit (possibly substantially) for the developers, at the expense of social housing tenants paying much more than was envisaged when the scheme was consented. This is not the behaviour expected of a Preferred Partner;
- Tenants should have a choice and where Registered Providers are performing poorly should have the right to demand a re-ballot and chose an alternative landlord.

This Council resolves:

- To request the Mayor to write to the Homes & Communities Agency, calling for the regulator to investigate whether:
 - OHG residents have suffered serious detriment as a result of the failings of the Repairs & Maintenance service;
 - OHG has been dishonest with residents over its plans to redevelop the Island estates;
 - The 'no confidence or trust in OHG expressed by residents through OHG's own 'Cross Island Conversation' places the organisation in a position where it is no longer fit to carry out its functions as a landlord;
- To support OHG residents in preparing their own submission to the Homes and Communities Agency;
- To request the Mayor to suspend OHG as a Preferred Partner in Tower Hamlets with immediate effect. The council will not support them as a S106 partner with any developer and will not support them for any grant bids to the GLA;
- To request the Mayor to instruct officers to explore options for legal proceedings against OHG for breach of the Transfer Agreement and to report back to Full Council on the possibility of such proceedings by 16th September;
- To support Jim Fitzpatrick MP in his efforts to change legislation, to enable tenants whose homes have been subject to stock transfer the right to a re-ballot where their Registered Provider is performing poorly;
- To request the Mayor to seek a meeting with Sir Anthony Meyer, Chair of OHG, to address the failures of leadership within his organisation.

- That a meeting should be arranged with Brandon Lewis MP Minister for Housing to brief him on this motion.

The meeting ended at 10.39 p.m.

Speaker of the Council

**APPENDIX A - WRITTEN RESPONSES TO PUBLIC AND MEMBERS'
QUESTIONS THAT WERE NOT PUT AT THE MEETING**

6.4 Question from Mr Gilbert Lindsell:

Can Mr Biggs explain how he will address further welfare reform from the Tory Government in particular the cap to 23k which will have an enormous impact on our young people, vulnerable adults and families? (Question not put at the meeting as the questioner was not present)

Written response by Mayor John Biggs

There are currently around 600 families affected by the current benefit cap of £26,000 per year. This is estimated to rise to 1,000 families, once the cap falls to £23,000.

The Council currently receives around £2m in Discretionary Housing Payment (DHP) funding from central government and this was augmented over the last two Council budgets by additional funding. The Council uses this DHP funding to bridge the gap between resident's benefit payments and their rents, thereby helping to prevent homelessness and mitigate the impact of the reforms.

However, supplying this level of financial support is not viable over the longer term, especially as the cap is reduced and Central government is likely to reduce the amount of DHP funding available to Councils.

A more sustainable solution is to support residents into employment or more affordable housing, so that they are no longer impacted by the cap.

Once residents are in employment (for 35 hours a week for a couple or 28 hours a week for a single person) the benefit cap lifts. To support residents into employment, we are working to enable residents affected by the benefit cap to access targeted employment support.

The other way of addressing the impact of welfare reforms, over the long term, is through the building of truly affordable homes, either Council homes or at target rents. The building of 1,000 Council homes is a key priority for the Mayor.

In addition the Council currently has a strong partnership approach, through the Welfare Reform Task Group, which works with housing colleagues, advice agencies, and employment support services which will continue its programme of informing residents and monitoring the impacts to provide a coordinated response to the impact of these new changes.

6.6 Question from Mr Mamonur Rashid:

The parking transfer scheme has many strings attached with the idea of car free zones and confuses many of the locals. In some cases even the officers from the One Stop parking shop have given misleading advice, perhaps

because there are strings attached to the car free zones which creates confusion.

Can the Council make clear if residents who have three bedrooms and over are allowed permits in car free zones. Also to minus any conditions attached to it?

(Question not put at the meeting as the questioner was not present)

Written response by Councillor Rachel Blake, Cabinet Member for Strategic Development

The Permit Transfer Scheme was introduced by the Council in September 2010. It is designed to help some families moving into 3 bed+ social rented car free homes to retain one on-street resident car parking permit, subject to the following published criteria:

- 1) targeted at social rented housing residents moving to car-free homes
- 2) applies to residents moving to 3+ bedroom social rented car-free homes
- 3) 1 x on-street resident parking permit per household
- 4) parking permit must have been held for at least 1 year prior to moving home
- 5) parking permit must be renewed and not lapse to remain eligible under the scheme
- 6) it will be the responsibility of the social rented housing tenant to provide proof that they are eligible under the scheme for a permit to Parking Services (in the form of a duly signed, and dated, THH or RSL social rented housing approved tenancy agreement)
- 7) the scheme applies from the date of introduction (05 September 2011) by Tower Hamlets Council's Parking Services and is not retrospective.

The Council's Parking Services Team administer this scheme and use these criteria in determining eligibility.

6.8 Question from Mr Moynul Hoque

Under the previous administration we have seen levels of safety increase in our borough. In 2011 when most of London was in anarchy due to the dreadful riots, Tower Hamlets remained calm and our young people stayed indoors. The level of crime has also fallen substantially as well as our THEOs and Police Officers leading an example for boroughs across London. We are

seen to be one of the safest boroughs in London. These are some of the many shining examples left behind by the previous administration.

How can you ensure that safety will still remain a key priority under your mayorship and that the lead member you have appointed will work vigorously like her predecessor? (Question not put at the meeting as the questioner was not present)

Written response by Councillor Shiria Khatun, Deputy Mayor and Cabinet Member for Community Safety

Tackling crime and anti-social behaviour are vital elements in the Council's priorities. The annual residents' survey is an excellent indicator of how important our community consider this aspect of liveability is to them and it remains the most important aspect of liveability in respect of the core business of the Borough as defined by this survey.

In common with most other urban local authorities the sense of feeling safe within one's community is considered to be one of the keystone indicators upon which other quality of life determinants rest. The Community Safety Partnership develops its strategy on a three year basis for approval by the full Council. It is reviewed every 12 months by the partners and cabinet. At present we are in year three of the current plan.

8.14 Question from Councillor Chris Chapman

Is the Mayor able to update the council as to what efforts have been made by this authority, to work with the Royal Borough of Greenwich Council in order to minimise the impact of noise and air pollution resulting from the proposed Greenwich cruise terminal? (Question not put at the meeting due to lack of time)

Written response by Mayor John Biggs

As a local planning authority the Council receives requests for planning for observations from adjoining boroughs on planning applications which that borough is considering. Officers from Development Management team follow the guidance from the Tower Hamlets Statement of Community Involvement (SCI) (2012) when providing planning observations. Paragraph 1.5 of Attachment C of the SCI states that:

"The onus is on the borough within which the property lies to carry out all statutory and neighbour publicity/consultations. Where the proposal would significantly affect the interests of another section of the Council (e.g. highways on traffic matters), Development Management will consult the relevant section within the Council prior to formally responding to the adjoining borough".

Tower Hamlets has been consulted on the planning application of the proposed Greenwich cruise terminal since January 2011. In the recent

consultation response (dated 18th May 2015), the Council has raised concerns over significant environmental effects on Tower Hamlets in terms of changes to air quality, noise and vibration as a result of construction work.

The EIA officer has drafted a formal response to the latest submission of the planning application to request further information with respect to noise as part of the planning application submission, to ensure that the effects on LBTH receptors are fully understood.

The original planning application and Environmental Impact Assessment (EIA), covering noise and air pollution amongst other issues, was submitted to Royal Borough of Greenwich in 2010. This covered the docking of cruise ships as well as an extensive mixed use development.

A further planning application and EIA was submitted to the Royal Borough of Greenwich in relation to the cruise terminal and residential development on 31.3.15.

Environmental Health provided comments on these at the following points :

- January 2011 (full planning application – noise and air quality comments made)
- February 2015 (scoping report – noise concerns raised, additional information requested)
- May 2015 (full planning application – LBTH OBJECTS, additional noise information requested).

We will continue to engage Greenwich Council on this matter as necessary to ensure that the interests of Tower Hamlets Residents are properly considered and taken in to account but the Council has no authority to determine the planning decisions or the outcome of related discussions between Greenwich Council and the developers.

8.15 Question from Councillor Marc Francis

Will the Mayor / Lead Member set out what action has been taken since 11th June to minimise the disruption to local residents of the commercial events in Victoria Park? (Question not put at the meeting due to lack of time)

Written response by Mayor John Biggs

The review and planning processes around the major music festivals are year round with multi agency involvement and specific areas such noise management addressed in detail in order to minimise negative impact to local residents. Since the 11th June 2015 we have had confirmation from the Lovebox producers that we will see in response to concerns raised by residents and local Cllrs:

- Additional temporary toilet facilities outside the fenced event site and on routes to tube station. Total units 47 an increase of 27 from 2014
- Stewards outside the event site 172 from 8pm for egress (people leaving), an increase of 58 on 2014
- 3 response teams covering Old Ford Road East, Old Ford Road West, top of Grove Road.
- 40 volunteers to help monitor people arriving and give directions to event and toilet facilities
- Extent of external cleaning on streets doubled with an earlier start and more streets covered.
- Additional barriers to discourage festival goers from straying off main routes to transport
- Repeating and fine tuning of measures to manage noise levels that saw significant reduction in noise complaints in 2014

8.16 Question from Councillor Shafiqul Haque to the Mayor and his Cabinet:

Could you tell the Chamber how many houses were built in Tower Hamlets between May 2010 and June 2015? Please provide detailed breakdown by Wards and affordable housing provision? (Question not put at the meeting due to lack of time)

Written response by Councillor Rachel Blake, Cabinet Member for Strategic Development

Officers are currently compiling and reviewing the housing completions figures to include the most recent years, but accurate data is not readily available on completions of sale units.

Over the time period from May 2010 to July 2015 affordable housing numbers have averaged 875 a year with a total over that period of 4,376. These units have been provided in a variety of developments across the whole of the borough and data will be available in the near future on the breakdown of affordable units by ward.

8.17 Question from Councillor John Pierce

When will Tower Hamlets Homes complete the Decent Homes Works programme? (Question not put at the meeting due to lack of time)

Written response by Councillor Sirajul Islam, Statutory Deputy Mayor and Cabinet Member for Housing Management and Performance

The Decent Homes Works Programme - Year 5 - is scheduled to be completed by March 2016, this will bring 1487 homes back into decency and reduce the remaining housing stock non decency to 10%. Discussions are underway however to maximise the existing economies inherent in the

existing Decent Homes contractor framework and extend the works to accommodate newly arising need for the final year of the contract.

8.18 Question from Councillor Craig Aston

Residents of the Isle of Dogs, Limehouse and Wapping are subject to increasing noise from late night party boats. Will the Mayor inform the council what discussions he proposes to undertake with the relevant authorities to help alleviate this situation? (Question not put at the meeting due to lack of time)

Written response by Councillor Ayas Miah, Cabinet Member for Environment

Noise from party boats is an ongoing issue that is being addressed on both a case-by-case and strategic basis. For the past 2 years the Councils Pollution Team Leader has been Chair of the Riparian Boroughs' Party Boat Noise Steering Group, which has produced guidance to party boat operators and co-ordinated investigations into party boat complaints across the group's wide membership (LA's, TfL, PLA, Passenger Boat Association, MPS).

Noise from late night party boats remains a priority for the Noise team. There is a hierarchy of complaint response now in place and agreed with Riparian Boroughs ranging from informal intervention with individual boat operators by the Passenger Boat Association, to escalation using Licensing and/or Statutory Nuisance legislation which Borough Officers ensure is fully implemented for each complaint, for the benefit of the borough's residents.

8.19 Question from Councillor Mohammed Maium Miah to the Mayor and his Cabinet

Could Mr Biggs provide status update about the multi-faith Burial ground project initiated by the previous Mayor Lutfur Rahman's administration? (Question not put at the meeting due to lack of time)

Written response by Councillor Sirajul Islam, Statutory Deputy Mayor and Cabinet Member for Housing Management and Performance

The Council has entered into a long term management agreement, for a period of 125 years, with Memorial Property Investments Limited-Kemnal Park Cemetery, Chislehurst Kent, who will provide 3000 burial plots.

The purpose of the agreement is to provide a multi faith burial service, at a reduced cost, to the residents of the borough. There are no plans at this time to vary this agreement at this time. Officers are reviewing the operational implications of the agreement and will advise the Mayor on matters specific to implementation shortly.

8.20 Question from Councillor Peter Golds

Will the Mayor outline the timeline for revising the South Quay Master Plan? (Question not put at the meeting due to lack of time)

Written response by Mayor John Biggs

I consider that more time is needed to review the content of the South Quay Masterplan SPD before progressing it for adoption. Councillor Rachel Blake, Cabinet Member for Strategic Development is assisting me with this work and will ensure that the points raised will be considered, as appropriate before the SPD is considered for adoption by the Executive.

8.21 Question from Councillor Shahed Ali to the Mayor and his Cabinet:

Could you provide the overall borough-wide levels (in terms of percentage and numbers) - for cleanliness, trees planted and recycling between 2010 and June 2015? (Question not put at the meeting due to lack of time)

Written response by Councillor Ayas Miah, Cabinet Member for Environment

The Council carries out tranche surveys each year to measure the cleanliness of the streets within the Borough. The surveys measure the percentage of streets and areas that were found to be predominantly free of litter, detritus, graffiti and fly posting, and the percentage of streets/areas that failed to be. The results since 2010 can be found in the tables below.

Level of street cleanliness: Tranche Survey (Passes)				
	Litter	Detritus	Graffiti	Fly Posting
2010-2011	93.9%	93.7%	97.4%	91.5%
2011-2012	98.0%	96.0%	94.0%	98.0%
2012-2013	94.0%	93.0%	94.0%	98.0%
2013-2014	98.1%	97.6%	93.8%	98.0%
2014-2015	97.2%	98.2%	94.9%	99.1%

Level of street cleanliness: Tranche Survey (Failures)				
	Litter	Detritus	Graffiti	Fly Posting
2010-2011	6.1%	6.3%	2.6%	8.5%
2011-2012	2.0%	4.0%	6.0%	2.0%
2012-2013	6.0%	7.0%	6.0%	2.0%
2013-2014	1.9%	2.4%	6.2%	2.0%
2014-2015	2.8%	1.8%	5.1%	0.9%

The amount of household waste that has been collected for recycling and composting since 2010 is shown in the table below:

	Recycling Rate
2010-2011	24.6%
2011-2012	27.1%
2012-2013	27.6%
2013-2014	28%
2014-2015	28.1%

The table below details that number of trees planted each year from 2010:

	Number of trees planted
2010-2011	650
2011-2012	200
2012-2013	150
2013-2014	150
2014-2015	1000
2015 (to date)	75

8.22 Question from Councillor Mahbub Alam to the Mayor and his Cabinet:

What facilities, staffing, allowances and any other support will the three Deputy Mayors appointed by John Biggs will receive. Could you provide a detailed breakdown and cost for all such provisions, for all three appointees? (Question not put at the meeting due to lack of time)

Written response by Mayor John Biggs

I thank Councillor Alam for his question.

Whilst I have appointed three Deputy Mayors, only one of these is the Statutory Deputy Mayor – Cllr Sirajul Islam, who will also receive the Special Responsibility Allowance associated with the role of Deputy Mayor.

The three Deputy Mayor's will share one PA. The previous Mayor's Office allocated a PA for the use of one Deputy Mayor.

Each Deputy Mayor will be allocated an office, which they have agreed to share with a hot desk for other Cabinet Members to use. These three offices are the only ones available to the Cabinet Members. The three offices already exist and their reallocation is part of the general reorganisation of the first floor, which will result in a smaller Mayor's office, re-provision of a Speaker's Parlour and space for opposition parties.

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LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE COUNCIL (EXTRAORDINARY MEETING)

HELD AT 7.30 P.M. ON WEDNESDAY, 26 AUGUST 2015

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

Members Present:

Mayor John Biggs	Councillor Sirajul Islam
Councillor Rajib Ahmed	Councillor Aminur Khan
Councillor Suluk Ahmed	Councillor Rabina Khan
Councillor Ohid Ahmed	Councillor Shiria Khatun
Councillor Sabina Akhtar	Councillor Abjol Miah
Councillor Shah Alam	Councillor Ayas Miah
Councillor Amina Ali	Councillor Harun Miah
Councillor Craig Aston	Councillor Md. Maium Miah
Councillor Asma Begum	Councillor Mohammed Mufti Miah
Councillor Rachel Blake	Councillor Muhammad Ansar Mustaqim
Councillor Chris Chapman	Councillor Joshua Peck
Councillor Gulam Kibria Choudhury	Councillor John Pierce
Councillor Andrew Cregan	Councillor Gulam Robbani
Councillor Julia Dockerill	Councillor Candida Ronald
Councillor David Edgar	Councillor Rachael Saunders
Councillor Marc Francis	Councillor Helal Uddin
Councillor Peter Golds	Councillor Andrew Wood
Councillor Danny Hassell	

In the absence of the Speaker, with the agreement of the Council the Deputy Speaker took the Chair for the meeting.

The Deputy Speaker of the Council, Councillor Rajib Ahmed in the Chair.

1. APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of:

- Councillor M. A. Mukit, MBE (Speaker of the Council);
- Councillor Khaled Uddin Ahmed;
- Councillor Mahbub Alam;
- Councillor Dave Chesterton;
- Councillor Amy Whitelock Gibbs;
- Councillor Clare Harrison;
- Councillor Denise Jones; and
- Councillor Oliur Rahman.

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS

No declarations of Disclosable Pecuniary Interests were made.

3. TO RECEIVE ANNOUNCEMENTS (IF ANY) FROM THE SPEAKER OF THE COUNCIL

There were no announcements.

4. APPOINTMENT OF CHIEF EXECUTIVE

The Council considered the report of the Service Head, Human Resources and Workforce Development that requested the Council to confirm the appointment of a Chief Executive for the Authority in accordance with the recommendation of the Appointments Sub-Committee.

The Council also received a tabled supplementary report of the Service Head, Human Resources and Workforce Development. The supplementary report provided additional information that had been received by the authority and which may be considered relevant to the decision of whether to confirm the appointment of the Chief Executive.

Prior to the consideration of the supplementary report, the Council received advice from the Service Head, Legal Services that the question of whether or not this should be considered in public was a matter for the Council to determine, and on the factors that the Council should consider in this regard. Having considered this advice, Members of all political groups agreed that the report should be considered in public session.

[Note: The supplemental report was subsequently published on the Council's website.]

Following debate, Mayor John Biggs **moved**, and Councillor Sirajul Islam **seconded**, the recommendations as printed in the report in the main agenda.

The recommendations were put to the vote and were **agreed** with no Member voting against. Accordingly it was:-

RESOLVED

1. That the appointment of Mr Will Tuckley as Chief Executive of the Authority and Head of Paid Service on a permanent basis, be confirmed with the job description for the post as attached at Appendix A and on the terms set out at paragraph 4.9 of the report.
2. That the current designation of the Corporate Director of Communities, Localities and Culture as interim Head of Paid Service should continue until the Chief Executive commences in office.

On behalf of the Council, the Deputy Speaker indicated that he would write to the Corporate Director, Communities, Localities and Culture expressing Members' gratitude for his work during his appointment as interim Head of Paid Service.

The meeting ended at 8.07 p.m.

Speaker of the Council

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LONDON BOROUGH OF TOWER HAMLETS

COUNCIL MEETING

WEDNESDAY 16th SEPTEMBER 2015

PETITIONS

**REPORT OF THE SERVICE HEAD,
DEMOCRATIC SERVICES**

SUMMARY

1. The Council's Constitution provides for up to three petitions to be presented at each ordinary Council meeting. These are taken in order of receipt. This report sets out the valid petitions submitted for presentation at the Council meeting on Wednesday 16th September 2015.
2. The deadline for receipt of petitions for this meeting is noon on Thursday 10th September 2015. However, at the time of agenda despatch the maximum number of petitions has already been received as set out overleaf.
3. The texts of the petitions received for presentation to this meeting are set out in the attached report. In each case the petitioners may address the meeting for no more than three minutes. Members may then question the petitioners for a further four minutes. Finally, the relevant Cabinet Member or Chair of Committee may respond to the petition for up to three minutes.
4. Any outstanding issues will be referred to the relevant Corporate Director for attention who will respond to those outstanding issues in writing within 28 days.
5. Members, other than a Cabinet Member or Committee Chair responding at the end of the item, should confine their contributions to questions and not make statements or attempt to debate.

5.1 Petition regarding deletion and retention of the African Families Service (Petition from Apostle 'Segun George on behalf of the Pastors and Community Leaders Group).

The petitioners wish to table their case against the deletion of the African Families Service in the London Borough of Tower Hamlets.

5.2 Petition to remove double yellow lines in Blackwall Way (Petition from Mr Salman Ahmed and others)

We, the undersigned, residents of the Blackwall area call upon Tower Hamlets Council to stop profiteering from parking restrictions and allow residents to park in the vicinity of their homes. We urge the Council to restore the single yellow lines to the streets around Blackwall and stop the visits from traffic enforcement staff in the middle of the night.

5.3 Petition for Yates House (Petition from Mr Terry Debuse and others)

Yates House, E2 was built in the late 50s and until this day the 3rd April 2015 no work to the outside of Yates House has been done, like windows, doors and just the general upkeep of the building, which both leaseholders and tenants pay towards. We, the undersigned, DEMAND that works start on our building as promised, before summer 2015.

LONDON BOROUGH OF TOWER HAMLETS
COUNCIL MEETING
WEDNESDAY 16th SEPTEMBER 2015
QUESTIONS SUBMITTED BY
MEMBERS OF THE PUBLIC
REPORT OF THE SERVICE HEAD,
DEMOCRATIC SERVICES

SUMMARY

1. Set out overleaf are the questions submitted by members of the public, for response by the Mayor or appropriate Cabinet Member at the Council Meeting on 16th September 2015.
2. The Council's Constitution sets a maximum time limit of twenty minutes for this item.
3. A questioner who has put a question in person may also put one brief supplementary question without notice to the Member who has replied to his or her original question. A supplementary question must arise directly out of the original question or the reply. Supplementary questions and Members' responses to written and supplementary questions are each limited to two minutes.
4. Any question which cannot be dealt with during the twenty minutes allocated for public questions, either because of lack of time or because of non-attendance of the questioner or the Member to whom it was put, will be dealt with by way of a written answer.
5. Unless the Speaker of Council decides otherwise, no discussion will take place on any question, but any Member of the Council may move, without discussion, that the matter raised by a question be referred for consideration by the Cabinet or the appropriate Committee or Sub-Committee.

QUESTIONS

Twelve public questions have been submitted as set out below:-

6.1 Question from Ms Marie Larvin on behalf of Tower Hamlets Fairtrade Network:

Will the Mayor and Councillors support an urgent review and report back on procurement policies to ensure that:

1. Contracts for all council catering facilities maximise the ranges of fairly traded products stocked at the earliest opportunity. (Given that seven years after Tower Hamlets became a Fairtrade Town, no Fairtrade certified products have been stocked in cafes/canteens in: Ideas Stores in Bow and Whitechapel; the Brady Centre; the Shadwell Centre; and vending machines in many council offices and Leisure centres)
2. Over 60 of our local school canteens continue being supplied with Fairtrade bananas and fruit juices, under the joint contract due to be re-let in January 2015. (Given that many local students, parents and teachers have signed petitions asking for this, and for other products to be supplied if possible in future, and given that Tower Hamlets Contract Services can make requests of the lead borough, currently Havering).'

6.2 Question from Mr Md Sumsul Talukder:

Private Renting in Tower Hamlets is become sky high! There is no such standard guideline for Private Landlord to rent a property or Rent limit for the property. So every working class living in the Tower Hamlets borough are seriously affected & struggling to pay rent including me. Many of us facing Eviction on a daily basis in some point, so it's an important issue to think about.

1. Does council has any plan to introduce a standard policy guideline for Private Landlords to control the uncontrolled property Rent of the borough?
2. How importantly you will consider the matter and when it can be implemented to protect working class of the borough?

Council May DO;

1. Introduce landlord Registration scheme.
2. Every landlords has to register their property with council and Must get an unique registration no to put property on Rent advert
3. Council official conduct survey of every individual property and set up a limit rent for the property. Based on;

- Area, mortgage amount, property standard, age of property, size, how many bed rooms, local facilities, furnished/unfurnished etc.

4. Also Council may generate revenue from property registration & renewal scheme

So let's have all your thoughtful opinions and possible outcome in this regards. It can be a great initiative to help the local community.

6.3 Question from Mr Mohammed S. Rahman:

What sports and recreation provisions are available there for youth and young in my Mile End ward, particularly for teenagers below 18 and of 10-12 age groups?

6.4 Question from Mr Mohammed Abdur-Rahman:

What action is the Council taking to deal with and clean dog litter on the streets of Tower Hamlets?

6.5 Question from Mr Chris Nineham:

The austerity policies being pursued by this government have been a disaster for this borough.

Will you join leading figures in the community in Tower Hamlets in encouraging the biggest possible turnout for the anti-austerity protests organised by the TUC and the People's Assembly at the Conservative Party conference in Manchester on 3-7 October?

6.6 Question from Ms Rachel Vincent:

When will Dame Colet and the Haileybury Centre be finished?

6.7 Question from Ms Lilian Collins:

Can you give me a progress report of Poplar Baths and a report about the housing?

6.8 Question from Mr Abu Talha Chowdhury:

On 29th July the Commissioners, acting on behalf of the Secretary of State, took formal decisions on the Main Stream Grants Programme. Horwood Estate Bangla School has received funding since the 1980s to run Mother Tongue classes and supplementary school. Would the Mayor make a statement on how he expects this group to continue to provide this service?

6.9 Question from Mr Abu Hussain on behalf of Thames Bengali Association

On 29th July the Commissioners, acting on behalf of the Secretary of State, took formal decisions on the Main Stream Grants (MSG) Programme. This has left 237 organisations without Council funding and having to consider cutting back or even stopping their services. Although the Council has no control over how the MSG budget is spent, the Mayor controls other funds, including contingency funding. Thames Bengali Association has scored 84 and 80 for two MSG grant applications but they are not recommended for funding. The children will return after summer holiday but abrupt funding decision force us to stop our services after 18 years of service.

Will he make officers available to help organisations which have not been funded under the MSG programme find a way of surviving? This could include assistance in finding alternative premises or in awarding some emergency funding so they can survive.

6.10 Question from Mr Abdirashid Gulaid:

Could the Lead Member for Health and Adult Services update us on what actions the Council and partners have taken since signing the Time to Change pledge on ending mental health stigma and discrimination?

6.11 Question from Ms Lucy Rogers:

Developers are getting away with increasingly low provision of affordable housing due to the fact that their financial viability appraisals (FVAs) are private and their claims of being strapped for cash cannot be assessed by the Public. Meanwhile developers continue to build major luxury schemes in Tower Hamlets.

This situation is even acknowledged by the Mayor of London to be weighed too heavily in favour of developers, while other boroughs such as Greenwich have decided to make FVA's public. Will this Council in turn now make Financial Viability Appraisals transparent and public so that the right benefits arising from development will accrue to the community?

6.12 Question from Mr Ahmed Hussain:

Does the council have different (or equal) procedure on "Compulsory Purchase Order(s)" in relation to Social Landlords oppose to individual Freeholders as both own their own land?

LONDON BOROUGH OF TOWER HAMLETS

COUNCIL MEETING

WEDNESDAY 16th SEPTEMBER 2015

**QUESTIONS SUBMITTED BY
MEMBERS OF THE COUNCIL**

**REPORT OF THE SERVICE HEAD,
DEMOCRATIC SERVICES**

SUMMARY

1. Set out overleaf are the questions submitted by Members of the Council for response by the Speaker, the Mayor or the relevant Committee/Sub-Committee Chair at the Council meeting on Wednesday 16th September 2015
2. Questions are limited to one per Member per meeting, plus one supplementary question unless the Member has indicated that only a written reply is required and in these circumstances a supplementary question is not permitted.
3. Oral responses are time limited to one minute. Supplementary questions and responses are also time limited to one minute each.
4. There is a time limit of thirty minutes for consideration of Members' questions with no extension of time allowed and any question not answered within this time will be dealt with by way of a written response. The Speaker will decide the time allocated to each question.
5. Members must confine their contributions to questions and answers and not make statements or attempt to debate.

MEMBERS' QUESTIONS

16 questions have been received from Members of the Council as follows:-

8.1 Question from Councillor Sabina Akhtar

Can the Mayor provide an update on his work surrounding the opening of the Jack the Ripper 'Museum' – and in particular outline any efforts to address the deplorable way planning permission was sought?

8.2 Question from Councillor Gulam Kibria Choudhury to the Mayor:

Does the Council have any standard policy to protect tenants from unjust evictions by private landlords?

8.3 Question from Councillor Amina Ali to the Chair of the Overview and Scrutiny Committee:

Can the Chair of the Overview and Scrutiny Committee update the Council on the committee's Transparency Commission and how it is ensuring that it engages with all councillors, across all parties?

8.4 Question from Councillor Chris Chapman:

Will the Mayor inform the council as to the progress of his pledge to abolish East End Life, which continues to be published weekly?

8.5 Question from Councillor Danny Hassell:

What is the Council doing to improve the mental health and wellbeing of children and young people in our borough?

8.6 Question from Councillor Oliur Rahman to the Mayor:

Can the Mayor give details of how often all Council managed parks are inspected and when was the last time inspections took place?

8.7 Question from Councillor Marc Francis:

Will the Lead Member for Environmental Services set out the current estimate of food waste recycling in Tower Hamlets and proportion of properties in the borough currently benefitting from this service?

8.8 Question from Councillor Andrew Wood:

Will the Mayor inform the council as to the current status of the South Quay Masterplan? Since it was launched in 2013 it has been repeatedly delayed, the last delay being welcome as the publicly published Masterplan was inadequate given the scale of challenges in the area. Residents are expecting an update on its status, proposed changes and when it might be published?

8.9 Question from Councillor Candida Ronald:

What will the Mayor do to ensure a fair and transparent grants process which ensures that residents have confidence in the fairness of decisions taken by this council?

8.10 Question from Councillor Shahed Ali to the Mayor:

What is the total area – in sq metres - given to the Conservative Group Office and Independent Group Office under the Mayor John Biggs new renovation plan for the first floor? Has the space allocation based upon proportionality of members i.e. 15 Independent Group members compared to 5 Conservative Group members as is with committee positions, or has the allocation been based upon 'returning the favour' to the Conservative party for 'borrowed votes' in the 2015 mayoral election as stated by the Conservative Group leader, Cllr. Peter Golds?

8.11 Question from Councillor Andrew Cregan:

Following the publication of a Money Advice Trust report on the issue last month, can the Mayor share with the Council what measures he will take to address a legacy of this local authority whereby we are ranked among the top 10 worst in the country for resorting to bailiffs for the recovery of resident debts?

8.12 Question from Julia Dockerill:

To ask the Mayor whether he will be making a decision shortly on the long-term future of St George's Swimming Pools, to enable the council to move forward as soon as possible with a comprehensive leisure strategy for the West of the borough?

8.13 Question from Councillor Councillor Shah Alam to the Mayor:

There seems to be a general increase in anti-social behaviour, drug dealing, cannabis being smoked and youth hanging around in private sector properties and their adjoining areas in the Borough – what action can you take to address and minimise such issues that have a clear impact on the residents, community spirit, local atmosphere and the general environment of our streets in the Borough?

8.14 Question from Councillor Peter Golds:

Will the Mayor update residents on the current status of Project Stone (the re-development of the four One Housing Group estates on the Isle of Dogs) and what discussions have taken place with One Housing Group so far, and confirm when the council first become aware of Project Stone?

8.15 Question from Councillor Mahbub Alam to the Cabinet Member for Environment:

Can the Cabinet Member for Environment, Waste Management, Transport, Parking Services, Road Safety and Highways illustrate his priorities for the forthcoming year?

8.16 Question from Councillor Craig Aston:

Parts of the Borough especially Limehouse, Wapping and the Isle of Dogs suffer from frequent road and bus interruptions especially from the regular sports events that pass through the area. Such sports events are welcome but in geographically constrained locations they cause a great deal of disruption and annoyance to residents. Will the Mayor work with other Boroughs across East London to vary the routes where possible, possibly on a rota basis to ensure that the effects of such disruption is more widely spread without losing the ability to host such events in London?

LONDON BOROUGH OF TOWER HAMLETS

COUNCIL MEETING

WEDNESDAY 16th SEPTEMBER 2015

ANNUAL REPORT TO THE COUNCIL BY THE INDEPENDENT PERSON

REPORT OF THE SERVICE HEAD, DEMOCRATIC SERVICES

1. SUMMARY

- 1.1 An Independent Person is appointed by the Council in accordance with the provisions of the Localism Act 2011 to undertake duties in connection with the consideration of any complaints of a breach of the Members' Code of Conduct by the Mayor, a Member or Co-opted Member of the Council.
- 1.2 The Annual Report of the Independent Person to the Council for 2014/15 is attached at Appendix A. The Independent Person will attend the Council meeting to present her report.

2. RECOMMENDATION

- 2.1 That the report be noted.

3. BACKGROUND

- 3.1 Under the Localism Act 2011, the Council must promote and maintain high standards of conduct by Members and Co-opted Members of the authority, including adopting a Code of Conduct for Members and arrangements for dealing with any allegation that a Member or Co-opted Member has breached the Code.
- 3.2 In accordance with the requirements of the 2011 Act, these arrangements include the appointment of an Independent Person to advise on breaches of the Member Code of Conduct. The Independent Person will:
 - Be available for consultation if an allegation of breach of the Members' Code of Conduct is received by the Council.

- Liaise as necessary with the Council's Monitoring Officer to consider complaints against Members and offer his/her impartial views on the case, including any investigations undertaken.
- Advise the Council prior to any decision to investigate an allegation or complaint relating to whether a Member has failed to comply with the Code of Conduct.
- Attend meeting of the Standards Advisory Committee and/or its sub-committees as required
- Contribute to any review of the operation of the standards arrangements and complaints procedure established by the Council under the provisions of the Localism Act 2011.

3.3 The Independent Person may be consulted by the Council's Monitoring Officer in respect of an allegation against a Member in other circumstances; and/or be consulted by a Member or Co-opted Member of the Council against whom an allegation or complaint has been made. The views of the Independent Person will be considered by the Standards Advisory Committee, who are responsible for recommending on the outcome of any complaints and any remedial action.

3.4 Elizabeth Hall was appointed as Tower Hamlets' Independent Person at the Council meeting on 26th June 2013, for a term of office of three years. Ms Hall's Annual Report for the municipal year 2014/15 is attached at Appendix 'A' for the Council's consideration.

4. OBSERVATIONS OF THE CHIEF FINANCIAL OFFICER

4.1 There are no direct financial implications arising from this report. The Independent Person receives remuneration in accordance with the arrangements agreed by the Council on 26th June 2013, for which budget provision exists within the Law, Probity and Governance Directorate budget.

5. LEGAL SERVICES COMMENTS

5.1 The Localism Act 2011 introduced new arrangements to govern the Standards of Conduct for local authority members and co-optees. A key element of these arrangements is the appointment of at least one 'Independent Person' who will provide advice to the Council on any allegation it is considering, and may also provide advice to a member facing an allegation who has sought the views of that person. The Council has also appointed a reserve Independent Person in case of any potential conflict arising out of these arrangements.

5.2 The Independent Person(s) must be appointed following a public advertisement and recruitment process and his/her appointment must be confirmed by the majority of Councillors at the full Council meeting.

6. ONE TOWER HAMLETS CONSIDERTIONS

6.1 There are no specific implications for One Tower Hamlets arising from the proposals in this report.

7. CRIME AND DISORDER REDUCTION IMPLICATIONS

7.1 This report has no immediate implications for crime and disorder reduction.

8. RISK MANAGEMENT IMPLICATIONS

8.1 There are no risk management implications.

9. STRATEGIC ACTION FOR A GREENER ENVIRONMENT (SAGE)

9.1 There are no SAGE implications arising directly from this report.

**LOCAL GOVERNMENT ACT, 2000 (SECTION 97)
LIST OF "BACKGROUND PAPERS" USED IN THE PREPARATION OF THIS REPORT**

Brief description of "background paper"

Name and telephone number
of holder and address where
open to inspection

None

Independent Person

2015 Annual Report to the Council

I was appointed as Independent Person (IP) in July 2013 for a three year term in accordance with the Localism Act 2011. I did not make a report at the end of my first year in office because of the time out for the 2014 elections and the uncertainty which followed in this Borough.

From the outset I was invited to attend meetings of the Standards Advisory Committee (SAC) as an observer, and have attended all meetings. I am grateful that the Committee has permitted me to speak and to participate in its discussions.

At the time I was appointed the then Monitoring Officer left the Council. During my first six months I was pleased to work with the interim Monitoring Officer whom I advised on *six* complaints about alleged breaches of the Code of Conduct. Since then, I frequently expressed my dissatisfaction with the length of time and expense in pursuing some of these cases, many of which seemed characterised by simple disrespect and unruly behaviour between Councillors during Council meetings and other events. It is highly regrettable that four of these complaints remained outstanding despite the efforts of the SAC until a meeting of the Investigations and Disciplinary Subcommittee of the SAC, which could not be convened until June 2015, although I accept that the delay was due partly to the unique situation of the past few months.

My concern about the way in which the Code of Conduct was being used led to my thinking in early 2014 that the SAC should consider recommending some amendment to the arrangements for handling complaints which would discourage the trivial or vexatious; this was not taken forward because the elections were then imminent.

I am therefore very pleased indeed that the current interim Monitoring Officer has put forward proposals for a much simplified and more appropriate Code, with associated arrangements for handling complaints, which the SAC agreed recently should be recommended, subject to consultation. This Code and complaints processes would meet the need as I see it for a Code which was more focused on principles than rules, and processes which allow what is no more than poor behaviour to be dealt with in the meeting at the time, and/or by a Group Leader.

It is generally understood that the role of the IP lacks authority, and has no power to advise other than in the particular case of a complaint. It has nevertheless been personally frustrating in the extreme to have had to stand on the sidelines while the widely expressed concerns about the former Mayor's behaviour failed to generate more attention under the Standards regime. But that might be a result of its limited sanctions and powers (for instance it could not investigate any matter unless a complaint was made) and over-elaborate procedures.

I hope that the openness and accountability to which Mayor Biggs has committed will characterise the Council in future, and that the Code of Conduct will be accorded the status it deserves as the Standard which all members of the Council observe. This suggests that work of the SAC could be given greater prominence in the policy arena, rather than being seen simply as a place to hear complaints, and that it could be invited to contribute more widely to Council activities, including a closer productive relationship with Overview & Scrutiny.

Elizabeth Hall

July 2015

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LONDON BOROUGH OF TOWER HAMLETS

COUNCIL MEETING

WEDNESDAY 16th SEPTEMBER 2015

REVIEW OF PROPORTIONALITY AND ALLOCATION OF PLACES ON COMMITTEES AND PANELS OF THE COUNCIL

REPORT OF THE SERVICE HEAD, DEMOCRATIC SERVICES

1. SUMMARY

- 1.1 A change in the political composition of the Council occurred on 31st July 2015 when Councillor Mohammed Mufti Miah gave notice to the proper officer that for the purposes of the Local Government & Housing Act 1989 ('the 1989 Act') he is no longer a member of the Independent Group.
- 1.2 Consequent on this change the Council must review the allocation of places on Committees and other bodies covered by the proportionality requirements in the 1989 Act. The proposed new committee allocations are set out at paragraph 4.2 overleaf.

2. RECOMMENDATIONS

- 2.1 That the Council note the review of proportionality as at section 3 of the report overleaf and agree the allocation of seats on committees and panels for the remainder of the Municipal Year 2015/16 as set out at paragraph 4.2.
- 2.2 That Members and deputies be appointed to serve on those committees and panels in accordance with nominations from the political groups to be notified to the Service Head, Democratic Services.

3. REVIEW OF PROPORTIONALITY

- 3.1 Section 15(1) of the 1989 Act requires the Council as soon as practicable after a change in the political composition to carry out a review to determine the allocation to the political groups of seats on the committees/panels of the Council. The principles which must be adopted are:
 - (i) that in relation to each body covered by the Act, all seats are not allocated to the same political group;

- (ii) that the majority of seats on each body must go to the political group with the majority on the Council (if any);
- (iii) that subject to (i) and (ii) the number of seats on the total of all the ordinary committees/panels of the authority allocated to each group bears the same proportion as that group's proportion of the seats on the full Council; and
- (iv) that subject to the above three principles, the number of seats on each ordinary committee/panel of the authority allocated to each political group bears the same proportion as that group's proportion of the seats on the full Council.

3.2 Once the political groups have been allocated their places in accordance with the above rules, the Council may appoint ungrouped members to any remaining positions.

3.3 Neither the Cabinet and any executive sub-groups of the Cabinet; nor the Tower Hamlets Health and Wellbeing Board, are covered by the requirement for proportionality.

3.4 Following the changes described in Paragraph 1.1 to this report, the political composition of the Council is now as follows:

Group	seats	%
Labour	23	51.1%
Independent Group	15	33.3%
Conservative	5	11.1%
Ungrouped	2	
Total	45	

4. ALLOCATION OF PLACES ON COMMITTEES

4.1 The committees and panels established by the Council for the municipal year 2015/16 are listed below. There are a total of 91 places on these committees and panels.

4.2 Applying the principles in the 1989 Act as closely as is reasonably practicable, the proposed allocation of places on the committees and panels covered by the requirement for proportionality for the remainder of the municipal year or until the next review of proportionality, whichever is sooner, is as follows:-

Committee/panel	Total	Labour	Independent Group	Conservative
Overview & Scrutiny Committee (plus 6 co-optees)	9	5	3	1
Health Scrutiny Panel	7	4	2	1
Appeals Committee (1 vacancy)	9	5	3	1
Audit Committee	7	4	2	1
Development Committee	7	4	2	1
Strategic Development Committee	9	5	3	1
General Purposes Committee	7	4	2	1
Human Resources Committee	7	4	2	1
Licensing Committee	15	8	6	1
Pensions Committee	7	4	3	-
Standards Advisory Committee (plus 7 co-optees)	7	4	2	1
TOTALS	91	51	30	10

4.3 The above will result in the allocation of all committee places amongst the political groups in accordance with the rules set out in the 1989 Act. No unallocated places remain to which ungrouped members may be appointed.

5. CONCURRENT REPORT OF THE CHIEF LEGAL OFFICER

5.1 The legal position is set out in the main body of the report.

6. COMMENTS OF THE CHIEF FINANCIAL OFFICER

6.1 There are no direct financial considerations arising from this report.

LOCAL GOVERNMENT ACT, 1972 SECTION 100D (AS AMENDED)

LIST OF "BACKGROUND PAPERS" USED IN THE PREPARATION OF THIS REPORT

Brief description of background papers:

Name and telephone number of holder and address where open to inspection

- None

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Non-Executive Report of the: Full Council 16 th September 2015	
Report of: Zena Cooke, Corporate Director of Resources	Classification: [Unrestricted or Exempt]
Treasury Management Strategy & Investment Strategy Outturn Report for 2014/15	

Originating Officer(s)	Bola Tobun, Investment & Treasury Manager
Wards affected	[All wards]

Summary

This report advises the council’s treasury management activities for the financial year ended 31 March 2015 as required under the Local Government Act 2003.

The report details the treasury management outturn position based on the credit criteria adopted by the Corporate Director of Resources and the investment strategy for the financial year as approved by the Council and the investment returns.

The Council has complied with its legislative and regulatory requirements as set out in the legal comments at paragraph 5 of this report. The key actual prudential and treasury management indicators detailing the impact of capital expenditure activities during the year, with comparators are also addressed in this report.

The Corporate Director of Resources confirms:

- That all treasury management activities were executed by authorised officers within the parameters agreed by the Council.
- All investments were made to counterparties on the Council’s approved lending list and within limit.
- No short-term or long-term borrowing was undertaken during the year to 31 March 2015.

Long term debt reduced from £89.564m to £88.893m as a result of loans maturing during the financial year.

The Council earned 0.73% on short term lending, outperforming the actual rolling average 7 Day LIBID rate of 0.35%.

The report had been seen by the Audit Committee to enable the Members of this committee to fulfil their scrutiny role of management function as per CIPFA’s Treasury Management Code of Practice.

Recommendations

Members are recommended to:

- Note the Treasury Management activities and performance against targets for the twelve months to 31 March 2015.
- Note the Pension Fund investments balance (set out in section 3.8.2).
- Note the Council's investments as at 31 March 2015 (as in Appendix 1).
- Note the Council's investments with part nationalised banks as at 31 March 2015 (set out in section 3.21.9).
- Note the Prudential indicators outturn for 2014/15 (set out in Appendix 2).

1. REASONS FOR DECISIONS

- 1.1 This Council is required by Regulations issued under the Local Government Act 2003 to produce an annual treasury report reviewing treasury management activities and the actual prudential and treasury indicators for 2014/15. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).
- 1.2 The minimum reporting requirements stipulated by the Code are that Full Council should receive the following reports:
- an annual treasury strategy in advance of the year (Council; 26 February 2014)
 - a mid-year treasury update report (Council; 26 November 2014)
 - an annual report following the year describing the activity compared to the strategy (this report)
- 1.3 In addition, the Audit Committee received treasury management activity update reports on 30 June 2014, 16 September 2014 and 21 July 2015.
- 1.4 The Code requires Members to review and scrutinise treasury management policy and activities. This report is important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by Members.
- 1.5 The annual report on treasury management should assist Members in scrutinising officer decisions and checking that the investment strategy was implemented as approved by the Full Council.

2. ALTERNATIVE OPTIONS

- 2.1 The Council is bound by legislation to have regard to the Treasury Management (TM) Code. The Code requires that the Council should receive an annual report on treasury management activities.
- 2.2 If the Council were to deviate from those requirements, there would need to be some 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 treasury management activities and to ensure that these activities are in line with the investment strategy approved by the Council.

3. DETAILS OF REPORT

- 3.1 The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 require local authorities to have regard to the Treasury Management Code. The Treasury Management code requires that the Council or a sub-

committee of the Council should receive an annual report on treasury management activities.

- 3.2 The Council approved the Treasury Management Strategy Statement on 26 February 2014, which included the Investment Strategy, Minimum Revenue Provision and prudential indicators for 2014/15. These reports set out the parameters within which Treasury Management officers should operate when executing their roles. In line with the requirement of the Code, this report should assist Members in discharging their responsibilities relating to the review and scrutiny of Treasury Management policies and activities in 2014/15.
- 3.3 The Council complied with its legislative and regulatory requirements in 2014/15 and was not in breach of any of the prudential and treasury management indicators. The table below summarises the key indicators relating to capital expenditure activities in the year. A more detailed report of the indicators is attached as Appendix 2.
- 3.4 The Corporate Director of Resources also confirms that the Council did not undertake any external borrowing during the year, thus operating within the Authorised borrowing limit in the financial year.
- 3.5 This report summarises:
- The economy and interest rates
 - Capital activity during the year;
 - Impact of this activity on the Council's underlying indebtedness (the Capital Financing Requirement);
 - Reporting of the required prudential and treasury indicators;
 - Overall treasury position identifying how the Council has borrowed in relation to this indebtedness, and the impact on investment balances;
 - Debt activity;
 - Summary of interest rate movements in the year; and
 - Investment activity.

3.6 THE ECONOMY AND INTEREST RATES

- 3.6.1 The original market expectation at the beginning of 2014/15 was for the first increase in Bank Rate to occur in quarter 1 2015 as the unemployment rate had fallen much faster than expected through the Bank of England's initial forward guidance target of 7%.
- 3.6.2 In May, however, the Bank revised its forward guidance. A combination of very weak pay rises and inflation above the rate of pay rises meant that consumer disposable income was still being eroded and in August the Bank halved its forecast for pay inflation in 2014 from 2.5% to 1.25%. Expectations for the first increase in Bank Rate therefore started to recede as growth was still heavily dependent on buoyant consumer demand.
- 3.6.3 During the second half of 2014 financial markets were caught out by a halving of the oil price and the collapse of the peg between the Swiss franc and the euro.

Fears also increased considerably that the ECB was going to do too little too late to ward off the threat of deflation and recession in the Eurozone.

- 3.6.4 In mid-October, financial markets had a major panic for about a week. By the end of 2014, it was clear that inflation in the UK was going to head towards zero in 2015 and possibly even turn negative. In turn, this made it clear that the MPC would have great difficulty in starting to raise Bank Rate in 2015 while inflation was around zero and so market expectations for the first increase receded back to around quarter 3 of 2016.
- 3.6.5 Gilt yields were on a falling trend for much of the last eight months of 2014/15 but were then pulled in different directions by increasing fears after the anti-austerity parties won power in Greece in January; developments since then have increased fears that Greece could be heading for an exit from the euro. While the direct effects of this would be manageable by the EU and ECB, it is very hard to quantify quite what the potential knock on effects would be on other countries in the Eurozone once the so called impossibility of a country leaving the EZ had been disproved.
- 3.6.6 Another downward pressure on gilt yields was the announcement in January that the ECB would start a major programme of quantitative easing, purchasing EZ government and other debt in March. On the other hand, strong growth in the US caused an increase in confidence that the US was well on the way to making a full recovery from the financial crash and would be the first country to start increasing its central rate, probably by the end of 2015. The UK would be closely following it due to strong growth over both 2013 and 2014 and good prospects for a continuation into 2015 and beyond. However, there was also an increase in concerns around political risk from the general election due in May 2015.

3.7. THE STRATEGY

- 3.7.1 The Annual Treasury Management Strategy and the Prudential Borrowing Indicators were approved by the Council on the 26 February 2014. This report provided commentary on the borrowing requirements and debt management arrangements for 2014/15, along with Annual Investment Strategy.
- 3.7.2 The expectation for interest rates within the strategy for 2014/15 anticipated low but rising Bank Rate (starting in quarter 1 of 2015), and gradual rises in medium and longer term fixed borrowing rates during 2014/15. Variable, or short-term rates, were expected to be the cheaper form of borrowing over the period. Continued uncertainty in the aftermath of the 2008 financial crisis promoted a cautious approach, whereby investments would continue to be dominated by low counterparty risk considerations, resulting in relatively low returns compared to borrowing rates.
- 3.7.3 The treasury strategy was to postpone borrowing to avoid the cost of holding higher levels of investments and to reduce counterparty risk.
- 3.7.4 The actual movement in gilt yields meant that PWLB rates saw little overall change during the first four months of the year but there was then a downward trend for the rest of the year with a partial reversal during February.

3.7.5 The Council has continued with its conservative approach of prioritising security and liquidity over yield, Investments would therefore continue to be dominated by low counterparty risk considerations though, this results in a high cost of carry as investment returns are relatively low compared to borrowing rates

3.8 TREASURY POSITION as at 31 March 2015

3.8.1 The Council's debt and investment position is organised by the treasury management service in order to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through Member reporting as detailed in section 3 of this report, and through officer activity as detailed in the Council's Treasury Management Practices Schedule. The treasury position at the start and end of 2014/15 was as follows:

Debt £m	31 March 2014 Principal	Rate/ Return	31 March 2015 Principal	Rate/ Return
Fixed Rate Funding:				
-PWLB	12.064	7.37%	11.393	7.37%
-Market	13.000	4.37%	13.000	4.37%
Total Fixed Rate Funding	25.064	5.81%	24.393	5.81%
Variable Rate Funding:				
-PWLB	0	0.00%	0	0.00%
-Market	64.500	4.32%	64.500	4.32%
Total Variable Rate Funding	64.500	4.32%	64.500	4.32%
Total debt	89.564	4.73%	88.893	4.75%
CFR	220.720		245.513	
Over/ (under) borrowing	(131.156)		(156.620)	

Investments: £m				
In house	292.450	0.82%	385.900	0.73%
External managers	0	0.00%	0	0.00%
Total investments	292.450	0.82%	385.900	0.73%

3.8.2 **Investment of Pension Fund Cash** – The investment outstanding as shown in the above table as at 31 March 2015 is £385.9m. Pension Fund cash balance of £35.8m is included in this balance and has been invested in accordance with Council's Treasury Management Strategy agreed by Full council on the 26 February 2014, under the delegated authority of the Corporate Director of Resources. The Pensions Committee is updated on Pension Fund investment activity on a quarterly basis.

3.8.3 The majority of the pension fund assets are placed with and invested by appointed Pension Fund Managers; the council usually retains some Pension Fund cash balance in house, usually in the range of £5m to £10m to manage monthly cash flow activities. However the current larger amount of £35.8m is being held to facilitate an assets rebalancing. Over the course of the year officers in conjunction with pension fund advisers have been disinvesting from existing equity portfolios, that is crystallising some equity gains to rebalance into fixed income or fixed income asset like mandate, this process will be completed by allocating the cash to the appropriate manager/s to invest into fixed income assets by or before first half of 2015/16.

3.8.4 The maturity structure for the investment portfolio was as follows:

	31 March 2014 Actual £m	2014/15 Original Limits	31 March 2015 Actual £m
Under 1 year	277.45	100%	375.9
More than 1 year	15.00	25%	10.00
Total	292.45		385.9

3.8.5 The under-borrowed amount represents the element of the programme that is currently being funded from internally held resources. Although this reduces the need to borrow from external sources, it does not allow for additional borrowing over and above the CFR. The Council also repaid £0.67m of maturing PWLB loans, thereby reducing the overall debt outstanding from £89.6m to £88.9m as at 31 March 2015.

3.8.6 The maturity structure of the debt portfolio was as follows:

	31 March 2014 Actual £m	2014/15 Original Limits %	31 March 2015 Actual £m	31 March 2015 Actual %
Under 12 months	0.671	10%	0.365	0.4%
12 months and within 24 months	1.068	30%	1.889	2.1%
24 months and within 5 years	4.532	40%	4.770	5.4%
5 years and within 10 years	4.584	80%	3.205	3.6%
10 years and above	78.709	100%	76.663	88.5%

3.9 CAPITAL EXPENDITURE AND FINANCING 2014-15

3.9.1 The Council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the Council's borrowing need; or

- If insufficient financing is available, or a decision is taken not to apply available resources, the capital expenditure will give rise to a borrowing need.

3.9.2 The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this was financed.

£m	2013/14 Actual	2014/15 Estimate	2014/15 Actual
Non-HRA capital expenditure	82.653	75.378	59.833
HRA capital expenditure	50.255	115.866	76.854
Total Capital Expenditure	132.908	191.244	136.687
Resources			
Capital Grants	87.391	110.200	86.846
Direct Revenue Financing	10.258	19.135	16.575
Major Repairs Allowance	11.799	26.462	9.940
Developers Contributions	7.740	6.263	7.839
Capital Receipts	14.701	15.789	8.548
Capital Expenditure (Financed from borrowing)	(1.000)	(13.395)	(6.939)

3.9.3 Actual capital expenditure was less than the estimated figure of £191.244m by £54.56m. This is not an underspent against the total programme; any resources not used in this reporting year will be used in future years of the programme.

3.10. OVERALL BORROWING NEED

3.10.1 The Council's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR). This figure is a gauge of the Council's debt position. The CFR results from the capital activity of the Council and what resources have been used to pay for the capital spend. This represents the 2014/15 unfinanced capital expenditure as set out in the above table, and prior years' net or unfinanced capital expenditure which has not yet been paid for by revenue or other resources.

3.10.2 Part of the Council's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the treasury service organises the Council's cash position to ensure sufficient cash is available to meet the capital plans and cash flow requirements. This may be sourced through borrowing from external bodies such as the Public Works Loan Board (PWLB) or the money markets, or utilising temporary cash resources within the Council.

3.10.3 The Council's non-Housing Revenue Accounts (HRA) underlying borrowing need is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. The Council is required to make an annual revenue charge, called the Minimum Revenue Provision (MRP), to reduce the CFR. This is effectively a repayment of the non-HRA borrowing need (there is no statutory requirement to reduce the HRA CFR).

3.10.4 The Council's 2014/15 MRP Policy was approved as part of the Treasury Management Strategy Report for 2014/15 on 26 February 2014.

3.10.5 The Council's CFR for the year is shown below, and represents a key prudential indicator. This includes PFI and leasing schemes on the balance sheet, which increase the Council's borrowing need although no borrowing is actually required against these schemes as a borrowing facility is included in the contract.

General Fund CFR (£m)	2013/14 Actual	2014/15 Estimate	2014/15 Actual
Opening balance	156.174	151.045	151.045
Add unfinanced capital expenditure	1.019	102.088	11.858
Add PFI adjustment	39.410	39.410	39.410
Less MRP	(6.145)	(6.145)	(6.142)
Less PFI Adjustment	(39.410)	(38.473)	(38.473)
Closing balance	151.045	247.925	157.698
HRA CFR (£m)	2013/14 Actual	2014/15 Estimate	2014/15 Actual
Opening balance	69.675	69.675	69.675
Add unfinanced capital expenditure	0.000	0.000	0.144
Closing balance	69.675	69.675	69.819

3.11 **Net Borrowing and the CFR** - in order to ensure that borrowing levels are prudent over the medium term, the Council's external borrowing net of investments, must only be for a capital purpose. This essentially means that the Council is not borrowing to support revenue expenditure. Net borrowing should not therefore, except in the short term, not exceed the sum of CFR for 2014/15 plus the expected changes to the CFR in 2015/16 and 2016/17. This indicator allows the Council some flexibility to borrow in advance of its immediate capital needs in 2014/15.

A summary of opening and closing CFR balances are also set out in table below.

£m	2013/14 Actual	2014/15 Estimate	2014/15 Actual
Non HRA CFR	151.045	247.925	157.698
HRA CFR	69.675	69.675	69.819
CFR (Total)	220.720	317.600	227.517

3.12 **The Authorised Limit** - the authorised limit is the "affordable borrowing limit" required by s3 of the Local Government Act 2003. The Council does not have the power to borrow above this level. The table below demonstrates that during 2014/15 the Council has maintained gross borrowing within its authorised limit.

3.13 **Maximum Gross Borrowing** – this is the maximum outstanding debt owed by the Council at any time during the financial year.

- 3.14 **The Operational Boundary** – the operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary is acceptable subject to the authorised limit not being breached.
- 3.15 **Actual financing costs as a proportion of net revenue stream** - this indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

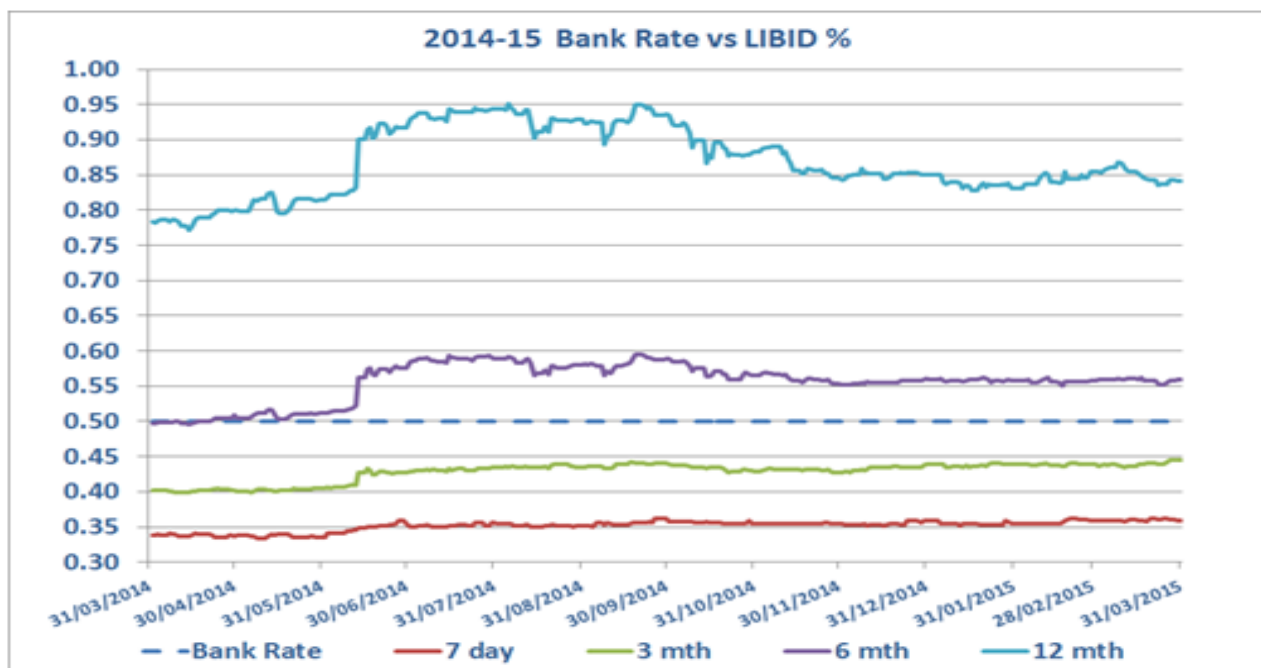
£m	2014/15
Authorised limit	328.925
Gross borrowing position	88.893
Operational boundary	308.985
Financing costs as a proportion of net revenue stream (Non-HRA)	2.33%
Financing costs as a proportion of net revenue stream (HRA)	3.89%

3.16. **BORROWING OUTTURN**

- 3.16.1 The Council did not undertake any external borrowing in 2014/15 due to investment concerns, both counterparty risk and low investment returns. Therefore capital financing needs were met by existing debt and internal borrowing.
- 3.16.2 No rescheduling was done during the year as the average 1% differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable.

3.17. **INVESTMENT RATES**

- 3.17.1 Bank Rate remained at its historic low of 0.5% throughout the year; it has now remained unchanged for six years. Market expectations as to the timing of the start of monetary tightening started the year at quarter 1 2015 but then moved back to around quarter 3 2016 by the end of the year. Deposit rates remained depressed during the whole of the year, primarily due to the effects of the Funding for Lending Scheme.



3.17.2 The graph below illustrates that investment rates remained at historically low levels over the course of the financial year 2014/15.

Money market investment rates 2014/15					
	7 day	1 month	3 month	6 month	1 year
1/4/14	0.338	0.362	0.402	0.497	0.783
31/3/15	0.358	0.378	0.445	0.559	0.841
High %	0.362	0.384	0.445	0.596	0.951
Low %	0.334	0.360	0.400	0.496	0.772
Average %	0.352	0.374	0.429	0.556	0.868
Spread %	0.028	0.024	0.045	0.100	0.180
High date	26/3/15	26/9/14	27/3/15	19/9/14	5/8/14
Low date	8/5/14	4/4/14	9/4/14	14/4/14	14/4/14

3.18 INVESTMENT OUTTURN

3.18.1 The Council's investment policy is governed by CLG guidance, which was implemented in line with the annual investment strategy approved by Full Council on 26 February 2014 and the revised investment strategy approved by Full Council on 26 November 2014. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies supplemented with additional market data (such as rating outlooks, credit default swaps, bank share prices etc.)

3.18.2 The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

3.18.3 The Council held an outstanding balance of £385.9m as at 31 March 2015, and maintained an average balance of £376.3m of internally managed funds which

earned an average rate of return of 0.73%. This compared favourably against the 7-day LIBID benchmark of 0.35%.

Investment performance for 2014/15

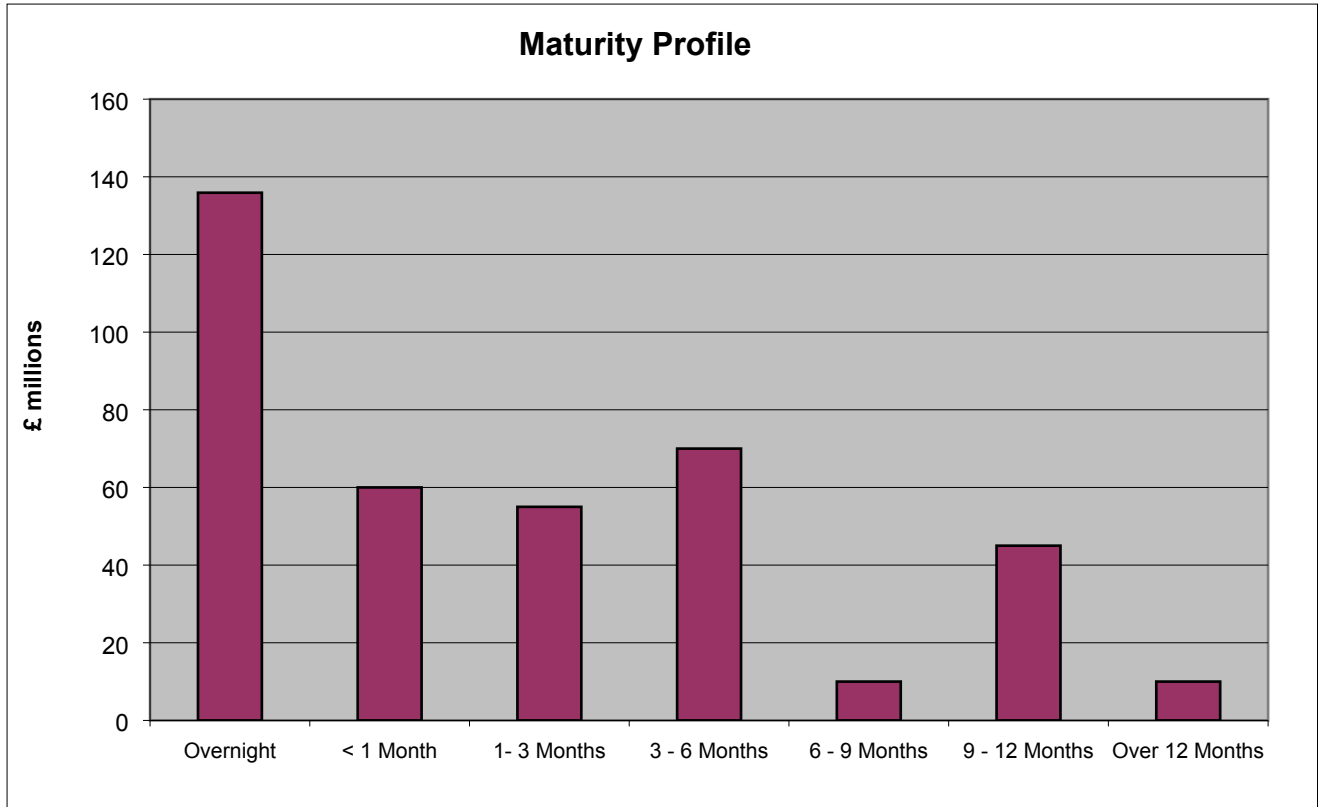
Benchmark	Benchmark Return	LBTH Performance	Over/(Under) Performance
Full Year 2013/2014	0.35%	0.82%	0.47%
Quarter 1	0.34%	0.69%	0.35%
Quarter 2	0.35%	0.73%	0.38%
Quarter 3	0.35%	0.77%	0.42%
Quarter 4	0.36%	0.72%	0.36%
Year to Period	0.35%	0.73%	0.38%

3.18.4 As illustrated above, the Council outperformed the benchmark by **38bps** for this financial year. The Council's budgeted investment return for 2014/15 is **£1.6m**, and performance for the year is **£1.1m** above budget, mainly due to massive increase of average cash balance for investment which was £226.3m above budgeted balance.

3.19 Investments Outstanding & Maturity Structure

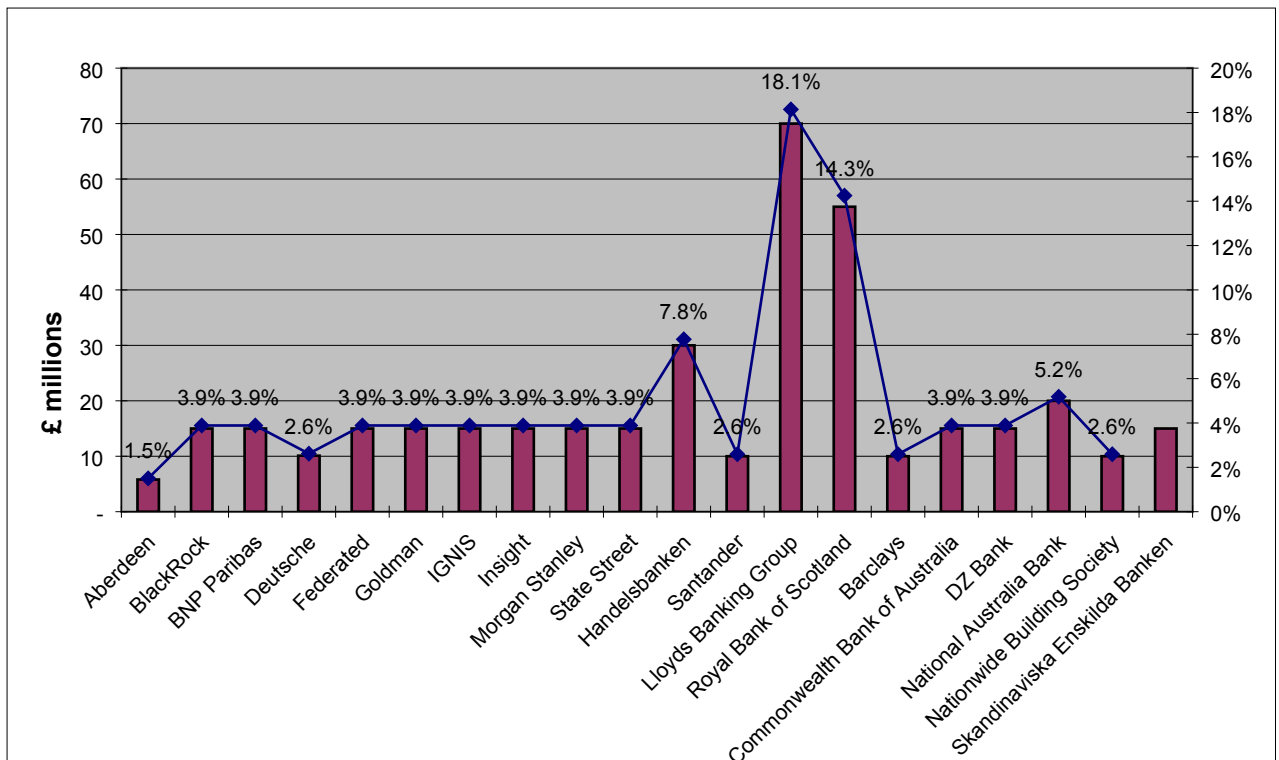
- At the end of March, we have 35.2% of outstanding investments of £385.9m as overnight money and 29.8% maturing within 3months, 18% maturing within 3-6 months, 2.6% maturing within 6-9 months, 11.7% maturing within 9-12 months and about 2.6% to mature after 12months.
- The Weighted Average Maturity (WAM) for outstanding investment portfolio is 98.1 days. This is the average number of outstanding days to maturity of each deal from 31st March 2015. The MMF balance has pulled the WAM down for the month of March.
- The chart below illustrates the maturity structure of deposits as at 31 March 2015; we have £135.9m as overnight deposits, and this basically Money Market Funds.

Chart 1: Maturity of Investment Portfolio as at 31 March 2015



- The chart below shows the deposits outstanding with authorised counterparties as at 31 March 2015, of which 32.4% were with part-nationalised banks (Lloyds and RBS Groups).

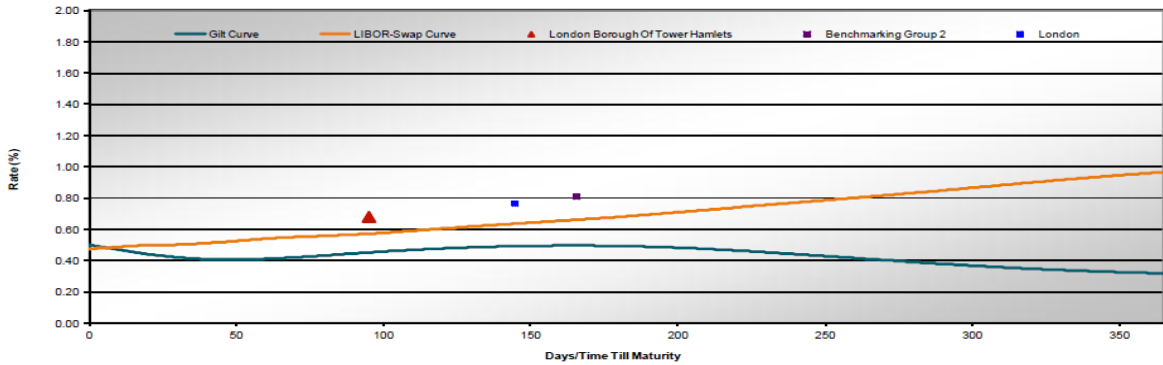
Chart 2: Counterparty Exposure as at 31 March 2015



3.20 INVESTMENT BENCHMARKING CLUB

- a. LBTH participates in a benchmarking club to enable officers to compare the Council's treasury management /investment returns against those of similar authorities. The model below shows the performance of benchmark club members given the various levels of risks taken as at 31 March 2015. The model takes into account a combination of credit, duration and returns achieved over the duration, and it includes data from 20 local authorities. Tower Hamlets lies close to the expected return given the council's portfolio risk profile, which is placing deposits with institutions with the sovereign rate of AAA.

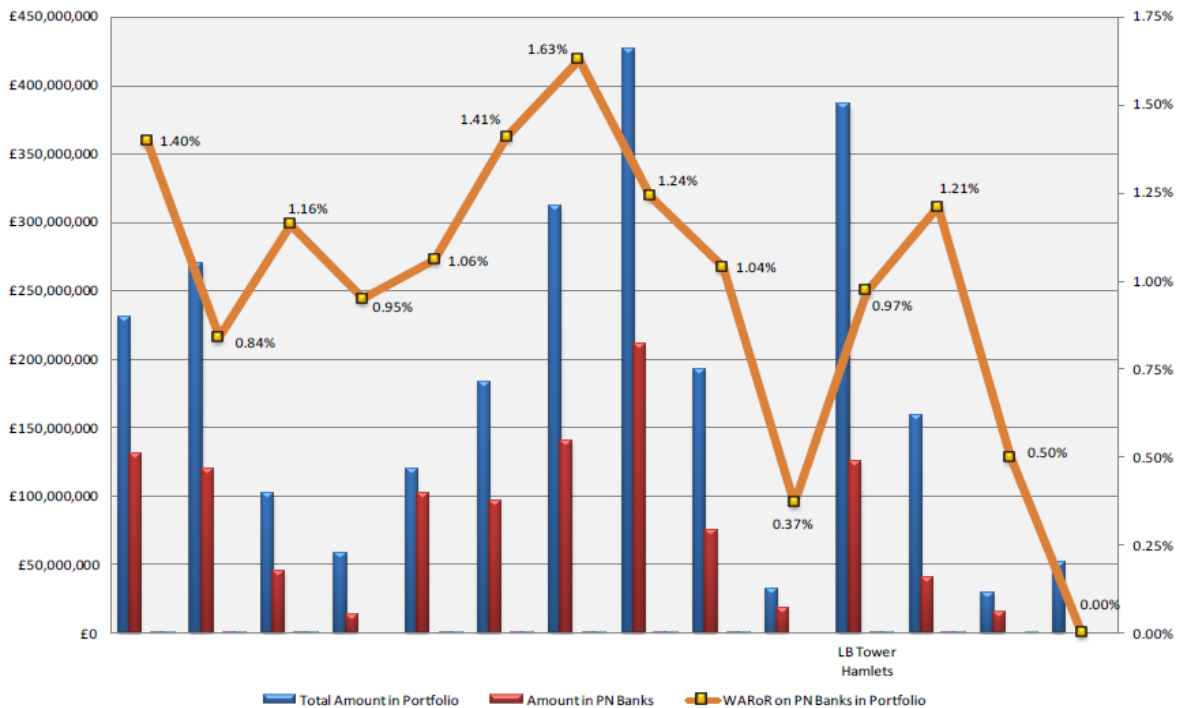
Returns Comparable Against the Risk-Free Rate and LIBOR Curve



	WARoR	WAM	WATT	WARisk	Gilt	LIBOR-Swap	Difference		Model Bands	Performance
							Gilt	LIBOR-Swap		
London Borough Of Tower Hamlets	0.68%	95	210	2.7	0.45%	0.57%	0.23%	0.11%	0.67% - 0.78%	Inline
Benchmarking Group 2	0.81%	165	320	3.1	0.50%	0.66%	0.31%	0.15%	0.74% - 0.85%	Inline
London	0.77%	144	295	2.9	0.49%	0.64%	0.27%	0.13%	0.72% - 0.83%	Inline

- b. The weighted average rate of return (WARoR) for LBTH is 0.68% compared to 0.81% for the group. The return on LBTH investment is commensurate with the Council's risk appetite as set out in the Investment Strategy.

LB Tower Hamlets Exposure to Part-Nationalised Banks- end of March 2015



- c. The above chart compares exposure to Part-Nationalised Banks (PNB) between club members as the Council currently has a significant amount of investment with PNBs. The chart shows that the Council's allocation to and returns from investment with PNBs is in line with other London boroughs as at 31 March 2015.
- d. The chart also shows the deposits outstanding with authorised counterparties as at 31 March 2015, of which 32.4% were with part-nationalised banks (Lloyds and RBS Groups).

3.21 INVESTMENT STRATEGY UPDATE

1. Full Council approved the Investment Strategy on 26 February 2014, amendments to this strategy was included in the Mid-Year Treasury Management Strategy Report that was approved by the full Council 26 November 2014. This was mainly due to the advice received from the Council's treasury adviser that rating assumptions were to be restructured by the three main rating agencies in order to remove the implied sovereign support embedded in the creditworthiness of an institution. The agencies are primarily reacting to the European regulatory changes which aim at ensuring the resolvability of banks without government support (e.g., resolution regimes and recovery and resolution plans).
2. The rating agencies had started implementing these changes in accordance to countries regulatory changes. As a matter of fact Fitch rating agency reassessed their overall methodology and stopped using Financial Strength Rating (FSR) and Support Ratings in computing credit worthiness of institutions. Therefore the Council's basis of formulating counter party template is now void

of Viability, Financial Strength Rating (FSR) and Support benchmarks, as these factors are now basically irrelevant.

3. Partly owned government banks offer significantly higher rates than the DMO, but have similar levels of security based on government guarantee of their credit quality. Officers are working in conjunction with the Council's treasury adviser in monitoring this group risk parameters in order to take appropriate action by deleting from counter party list or altering time and money limits of the organisation to reflect credit worthiness.
4. There have been reports that the Government will start divesting from these banks, The Council's treasury adviser is confident that the recent Government divestment from these groups had no bearing on their current views of the banks and they will continue to keep clients informed of developments on this front and any related updates to their views on both Lloyds Banking Group and Royal Bank of Scotland Group.
5. Barclays bank was downgraded in June 2015 and the Council had lent funds to the bank prior to the change, maturities are 17th September 2015 and 5th April 2016. The investments are shorter than one year, so the short term ratings do meet the stated criteria, but the long term rating, from S&P only, was lowered to A- with a stable outlook, which suggests that there is no risk of any downgrade in the near term. This change is not a reflection of a worsening position of the bank but the re-assessment of the manner in which the agency treats sovereign support. This has been applied to all UK institutions and is not unique to Barclays.
6. The current institutions the Council can currently lend to, is as set in Appendix 3.

4. COMMENTS OF THE CHIEF FINANCE OFFICER

- 4.1 The comments of the Corporate Director of Resources are incorporated in the report.

5. LEGAL COMMENTS

- 5.1 The Local Government Act 2003 provides a framework for the capital finance of local authorities. It provides a power to borrow and imposes a duty on local authorities to determine an affordable borrowing limit. It provides a power to invest. Fundamental to the operation of the scheme is an understanding that authorities will have regard to proper accounting practices recommended by the Chartered Institute of Public Finance and Accountancy (CIPFA) in carrying out capital finance functions.
- 5.2 The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 require the Council to have regard to the CIPFA publication "Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes" ("the Treasury Management Code") in carrying out capital finance functions under the Local Government Act 2003. If after having regard to the Treasury Management Code the Council wished not to follow it, there would need to be some good reason for such deviation.
- 5.3 It is a key principle of the Treasury Management Code that an authority should put in place "comprehensive objectives, policies and practices, strategies and reporting arrangements for the effective management and control of their treasury

management activities". Treasury management activities cover the management of the Council's investments and cash flows, its banking, money market and capital market transactions, the effective control of risks associated with those activities and the pursuit of optimum performance consistent with those risks. It is consistent with the key principles expressed in the Treasury Management Code for the Council to review performance against the strategies and policies it has adopted.

- 5.4 The Treasury Management Code requires as a minimum that there be a practice of regular reporting on treasury management activities and risks to the responsible committee and that these should be scrutinised by that committee. Under the Council's Constitution, the audit committee has the functions of monitoring the Council's risk management arrangements and making arrangements for the proper administration of the Council's affairs and for the proper stewardship of public funds.
- 5.5 When discharging its treasury management functions, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't. Information is contained in section 15 of the report relevant to these considerations.

6. ONE TOWER HAMLETS CONSIDERATIONS

- 6.1 Interest on the Council's cash flow has historically contributed significantly towards the budget. This Council's ability to deliver its various functions, to meet its Community Plan targets and to do so in accordance with its obligations under the Equality Act 2010 may thus be enhanced by sound treasury management.

7. BEST VALUE (BV) IMPLICATIONS

- 7.1 Assessment of value for money is achieved through:
- Monitoring against benchmarks
 - Operating within budget
- 7.2 For example, investment returns exceeded the LIBID benchmark up to the end of March 2015 and the treasury function operated within budget for financial year 2014/15.

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 8.1 There are no Sustainable Actions for A Greener Environment implications.

9. RISK MANAGEMENT IMPLICATIONS

- 9.1 Any form of investment inevitably involves a degree of risk. To minimise risk the investment strategy has restricted exposure of council cash balances to UK backed banks or institutions with the highest short term rating or strong long term rating.

10. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 10.1 There are no crime and disorder reduction implications arising from this report.
-

Linked Reports, Appendices and Background Documents

Linked Report

[None]

Appendices

Appendix 1: Investments Outstanding as at 31st March 2015

Appendix 2: Prudential and Treasury Indicators

Appendix 3: Counterparty List for London Borough of Tower Hamlets

Appendix 4: Glossary

Local Government Act, 1972 Section 100D (As amended)

List of “Background Papers” used in the preparation of this report

Capita Treasury Advisory Services - Investment Reports & Benchmarking club report

Officer contact details for documents:

[Bola Tobun Ext. 4733 Mulberry Place, 3rd Floor]

Appendix 1
Investments Outstanding as at 31st March 2015

Time to Maturity	Counterparty	From	Maturity	Amount £m	Rate
Overnight	Aberdeen		MMF	5.80	0.40%
	Blackrock		MMF	15.00	0.43%
	BNP Paribas		MMF	15.00	0.46%
	Deutsche		MMF	10.10	0.46%
	Federated		MMF	15.00	0.45%
	Goldman		MMF	15.00	0.43%
	IGNIS		MMF	15.00	0.47%
	Insight		MMF	15.00	0.45%
	Morgan Stanley		MMF	15.00	0.43%
	State Street		MMF	15.00	0.43%
		SUB TOTAL			135.90
< 1 Month	Lloyds Banking Group	07/10/2014	07/04/2015	5.00	0.70%
	Lloyds Banking Group	11/04/2014	10/04/2015	5.00	0.95%
	Lloyds Banking Group	11/07/2014	13/04/2015	10.00	0.80%
	Nationwide Building Society	13/10/2014	13/04/2015	5.00	0.66%
	Lloyds Banking Group	15/04/2014	15/04/2015	5.00	0.95%
	Royal Bank of Scotland	16/04/2013	16/04/2015	5.00	0.88%
	Royal Bank of Scotland	16/04/2014	16/04/2015	5.00	0.67%
	Nationwide Building Society	16/10/2014	16/04/2015	5.00	0.66%
	Lloyds Banking Group	17/07/2014	17/04/2015	5.00	0.80%
	Skandinaviska Enskilda Banken	29/04/2014	29/04/2015	5.00	0.71%
	Lloyds Banking Group	29/10/2014	29/04/2015	5.00	0.70%
1 - 3 Months	Santander		Call - 95N	10.00	1.10%
	Handelsbanken		Call - 35N	30.00	0.45%
	National Australia Bank	06/11/2014	06/05/2015	5.00	0.55%
	DZ Bank	26/08/2014	26/05/2015	5.00	0.86%
	Skandinaviska Enskilda Banken	17/11/2014	29/05/2015	5.00	0.58%
3 - 6 Months	National Australia Bank	07/07/2014	07/07/2015	5.00	0.64%
	Royal Bank of Scotland	15/07/2014	15/07/2015	20.00	0.97%
	Commonwealth Bank of Australia	15/07/2014	15/07/2015	5.00	0.83%
	Commonwealth Bank of Australia	17/07/2014	17/07/2015	5.00	0.82%
	Commonwealth Bank of Australia	12/08/2014	12/08/2015	5.00	0.81%
	Lloyds Banking Group	13/02/2015	13/08/2015	5.00	0.70%
	DZ Bank	26/08/2014	26/08/2015	5.00	0.98%
	DZ Bank	26/02/2015	26/08/2015	5.00	0.59%
	Barclays	17/03/2015	17/09/2015	10.00	0.63%
	Skandinaviska Enskilda Banken	26/03/2015	25/09/2015	5.00	0.60%
6 - 9 Months	Lloyds Banking Group	13/11/2014	13/11/2015	5.00	1.00%
9 - 12 Months	Lloyds Banking Group	04/12/2014	04/12/2015	5.00	1.00%
	Lloyds Banking Group	04/02/2015	04/02/2016	5.00	1.00%
	National Australia Bank	16/02/2015	16/02/2016	10.00	0.61% *
	Royal Bank of Scotland	27/02/2013	26/02/2016	10.00	1.15%
	Lloyds Banking Group	04/03/2015	04/03/2016	5.00	1.00%
	Lloyds Banking Group	05/03/2015	07/03/2016	10.00	1.00%
> 12 Months	Royal Bank of Scotland	20/03/2014	20/03/2016	5.00	1.25%
	Royal Bank of Scotland	10/01/2014	09/01/2017	5.00	1.74% *
	Royal Bank of Scotland	30/01/2015	30/01/2018	5.00	1.20% *
		SUB TOTAL			250.00
	TOTAL			385.90	

* This is a structured deal, the terms of which could change during its tenor.

Appendix 2: Prudential and Treasury Indicators

Prudential Indicators	2013/14	2014/15	2014/15	2014/15	2015/16	2016/17
Extract from Estimate and rent setting reports	Actual	Original Estimate	Revised Estimate	Actual	Estimate	Estimate
	£m	£m	£m	£m	£m	£m
Capital Expenditure						
Non – HRA	82.653	67.153	75.378	59.833	44.417	22.449
HRA	50.255	99.760	115.866	76.854	127.555	94.794
TOTAL	132.908	166.913	191.244	136.687	171.972	117.243
Ratio of Financing Costs To Net Revenue Stream						
Non – HRA	2.29%	3.51%	2.63%	2.33%	2.74%	2.92%
HRA	3.70%	3.69%	4.01%	3.89%	5.40%	8.24%
	£m	£m	£m	£m	£m	£m
Gross Debt and Capital Financing Requirement						
Gross Debt (including PFI)	128.974	141.060	136.788	127.366	171.395	226.238
Capital Financing Requirement	220.720	317.600	267.727	227.517	305.356	362.910
Over/(Under) Borrowing	(91.746)	(176.540)	(130.939)	(100.151)	(133.961)	(136.672)
In Year Capital Financing Requirement						
Non – HRA	0.000	57.470	7.597	6.653	4.790	1.033
HRA	0.000	0.000	0.000	0.144	32.838	56.521
TOTAL	0.000	57.470	7.597	6.797	37.628	57.554
Capital Financing Requirement as at 31 March						
Non - HRA	151.045	247.925	198.052	157.698	202.842	203.875
HRA	69.675	69.675	69.675	69.819	102.514	159.035
TOTAL	220.720	317.600	267.727	227.517	305.356	362.910
Incremental Impact of Financing Costs (£)						
Increase in Council Tax (band D) per annum	0.000	0.908	1.325	0.000	2.520	2.446
Increase in average housing rent per week	0.000	0.000	0.000	0.000	7.804	4.404

Treasury Management Indicators	2013/14	2014/15	2014/15	2014/15	2015/16	2016/17
	Actual	Original Estimate	Revised Estimate	Actual	Estimate	Estimate
	£m	£m	£m	£m	£m	£m
Authorised Limit For External Debt -						
Borrowing & Other long term liabilities	245.720	308.985	294.287	294.287	293.323	292.118
Headroom	20.000	20.000	20.000	20.000	20.000	20.000
TOTAL	265.720	328.985	314.287	314.287	313.323	312.118
Operational Boundary For External Debt -						
Borrowing	206.310	270.513	255.815	255.815	255.815	255.815
Other long term liabilities	39.410	38.472	38.472	38.472	37.508	36.303
TOTAL	245.720	308.985	294.287	294.287	293.323	292.118
Gross Borrowing(including PFI)	129.990	141.060	135.900	127.366	171.395	226.238
HRA Debt Limit*	184.381	192.000	192.000	192.000	192.000	192.000
Upper Limit For Fixed Interest Rate Exposure						
Net principal re fixed rate borrowing / investments	100%	100%	100%	100%	100%	100%
Upper Limit For Variable Rate Exposure						
Net interest payable on variable rate borrowing / investments	90/25%	90/25%	90/25%	90/25%	90/25%	90/25%
Upper limit for total principal sums invested for over 364 days (per maturity date)	£20m	£20m	£20m	£50m	£50m	£50m

Maturity structure of debt portfolio	Original Limits (2014/15)	Actual (2014/15)
under 12 months	10%	0.4%
12 months and within 24 mths	30%	2.1%
24 months and within 5 years	40%	5.4%
5 years and within 10 years	80%	3.6%
10 years and above	100%	88.5%

Appendix 3
Counterparty List for London
Borough of Tower Hamlets

Name	FITCH RATINGS		MOODYS RATINGS		S&P RATINGS	
	Short Term	Long Term	Short Term	Long Term	Short Term	Long Term
United Kingdom (Sovereign Rating)	F1+	AA+		Aa1	A-1+	AAA
Royal Bank of Scotland	F2	BBB+	P-2	A3	A-2	BBB+
Co-operative Bank plc	B	B	NP	Caa2		
Lloyds Bank Plc	F1	A+	P-1	A1	A-1	A
HSBC Bank plc	F1+	AA-	P-1	Aa2	A-1+	AA-
Nationwide Building Society	F1	A	P-1	A1	A-1	A
National Westminster Bank	F2	BBB+	P-2	A3	A-2	BBB+
Bank of Scotland Plc	F1	A+	P-1	A1	A-1	A
Santander UK Plc	F1	A	P-1	A1	A-1	A
Citibank International Plc	F1	A	P-1	A1	A-1	A
UBS Ltd	F1	A	P-1	A2	A-1	A
Standard Chartered Bank	F1+	AA-	P-1	Aa2	A-1	A+
Merrill Lynch International	F1	A			A-1	A
Ulster Bank Ltd	F2	BBB+	P-2	A3	A-2	BBB
Goldman Sachs International Bank	F1	A	P-1	A1	A-1	A
Morgan Stanley & Co. International PLC			P-1	A1	A-1	A
Close Brothers Limited	F1	A	P-1	Aa3		
Coventry Building Society	F1	A	P-1	A2		
Cumberland Building Society						
Nottingham Building Society			P-2	Baa1		
Principality Building Society	F2	BBB+	P-3	Baa3		
Progressive Building Society						
Skipton Building Society	F2	BBB+	P-2	Baa2		
West Bromwich Building Society	(Withdrawn)		NP	B1		
Yorkshire Building Society	F1	A-	P-2	A3	(Withdrawn)	
Leeds Building Society	F1	A-	P-1	A2		
Newcastle Building Society	B	BB+				
Australia (Sovereign Rating)	F1+	AAA		Aaa	A-1+	AAA
Australia and New Zealand Banking Group	F1+	AA-	P-1	Aa2	A-1+	AA-
Commonwealth Bank of Australia	F1+	AA-	P-1	Aa2	A-1+	AA-
National Australia Bank Limited	F1+	AA-	P-1	Aa2	A-1+	AA-
Westpac Banking Corporation	F1+	AA-	P-1	Aa2	A-1+	AA-
Macquarie Bank Limited	F1	A	P-1	A2	A-1	A
Canada (Sovereign Rating)	F1+	AAA	(P)P-1	Aaa	A-1+	AAA
Bank of Montreal	F1+	AA-	P-1	Aa3	A-1	A+
Bank of Nova Scotia	F1+	AA-	P-1	Aa2	A-1	A+
National Bank of Canada	F1	A+	P-1	Aa3	A-1	A

Royal Bank of Canada	F1+	AA	P-1	Aa3	A-1+	AA-
Canadian Imperial Bank of Commerce	F1+	AA-	P-1	Aa3	A-1	A+ AA-
Toronto-Dominion Bank	F1+	AA-	P-1	Aa1	A-1+	
Denmark (Sovereign Rating)	F1+	AAA	P-1	Aaa	A-1+	AAA
Danske Bank	F1	A	P-1	A2	A-1	A
Germany (Sovereign Rating)	F1+	AAA		Aaa	A-1+	AAA
Landesbank Berlin AG	(Withdrawn)	(Withdrawn)	P-1	A1		
Landesbank Hessen-Thuringen Girozentrale	F1+	A+	P-1	A1	A-1	A
Landwirtschaftliche Rentenbank	F1+	AAA	P-1	Aaa	A-1+	AAA
DZ Bank AG (Deutsche Zentral-Genossenschaftsbank)	F1+	AA-	P-1	Aa2	A-1+	AA-
Ireland (Sovereign Rating)	F1	A-	P-2	Baa1	A-1	A+
Luxembourg (Sovereign Rating)	F1+	AAA		Aaa	A-1+	AAA
BGL BNP Paribas SA	F1	A+	P-1	A1	A-1	A+
Banque et Caisse d'Epargne de l'Etat			P-1	Aa2	A-1+	AA+
Clearstream Banking	F1+	AA			A-1+	AA
Norway (Sovereign)	F1+	AAA		Aaa	A-1+	AAA
Nordea Bank AB	F1+	AA-	P-1	Aa3	A-1+	AA-
DnB Bank	(Withdrawn)	(Withdrawn)	P-1	Aa2	A-1	A+
Singapore (Sovereign Rating)	F1+	AAA		Aaa	A-1+	AAA
United Overseas Bank Limited	F1+	AA-	P-1	Aa1	A-1+	AA-
DBS Bank Ltd.	F1+	AA-	P-1	Aa1	A-1+	AA-
Oversea-Chinese Banking Corp	F1+	AA-	P-1	Aa1	A-1+	AA-
Sweden (Sovereign Rating)	F1+	AAA	P-1	Aaa	A-1+	AAA
Svenska Handelsbanken	F1+	AA-	P-1	Aa2	A-1+	AA-
Skandinaviska Enskilda Banken	F1	A+	P-1	Aa3	A-1	A+
Swedbank AB	F1	A+	P-1	Aa3	A-1	A+
Switzerland (Sovereign Rating)	F1+	AAA		Aaa	A-1+	AAA
Credit Suisse AG	F1	A	P-1	Aa3	A-1	A
UBS AG	F1	A	P-1	A1	A-1	A

Other

DMO

Local Authorities

Money Market Funds

Appendix 4

Glossary

Asset Life	How long an asset, e.g. a Council building is likely to last.
Borrowing Portfolio	A list of loans held by the Council.
Borrowing Requirements	The principal amount the Council requires borrowing to finance capital expenditure and loan redemptions.
Capitalisation direction or regulations	Approval from central government to fund certain specified types of revenue expenditure from capital resources.
CIPFA Code of Practice on Treasury Management	A professional code of Practice which regulates treasury management activities.
Capital Financing Requirement (CFR)	Capital Financing Requirement- a measure of the Council's underlying need to borrow to fund capital expenditure.
Certificates of Deposits	A certificate of deposit (CD) is a time deposit, a financial product. CDs are similar to savings accounts in that they are insured and thus virtually risk free; they are "money in the bank." They are different from savings accounts in that the CD has a specific, fixed term (often monthly, three months, six months, or one to five years) and, usually, a fixed interest rate. It is intended that the CD be held until maturity, at which time the money may be withdrawn together with the accrued interest.
Commercial paper	Commercial paper is a money-market security issued (sold) by large corporations to obtain funds to meet short-term debt obligations (for example, payroll), and is backed only by an issuing bank or corporation's promise to pay the face amount on the maturity date specified on the note. Since it is not backed by collateral, only firms with excellent credit ratings from a recognized credit rating agency will be able to sell their commercial paper at a reasonable price. Commercial paper is usually sold at a discount from face value, and carries higher interest repayment rates than bonds
Counterparties	Organisations or Institutions the Council lends money to e.g. Banks; Local Authorities and MMF.
Corporate bonds	A corporate bond is a bond issued by a corporation. It is a bond that a corporation issues to raise money effectively in order to expand its business. The term is usually applied to longer-term debt instruments, generally with a maturity date falling at least a year after their issue date.
Covered bonds	A covered bond is a corporate bond with one important enhancement: recourse to a pool of assets that secures or "covers" the bond if the originator (usually a financial institution) becomes insolvent. These assets act as additional credit cover; they do not have any bearing on the contractual cash flow to the investor, as is the case with Securitized assets.
Consumer Prices Index &	The main inflation rate used in the UK is the CPI. The

Retail Prices Index (CPI & RPI)	Chancellor of the Exchequer bases the UK inflation target on the CPI. The CPI inflation target is set at 2%. The CPI differs from the RPI in that CPI excludes housing costs. Also used is RPIX, which is a variation of RPI, one that removes mortgage interest payments.
Credit Default Swap (CDS)	A kind of protection that can be purchased by MMF companies from insurance companies (for their investment) in exchange for a payoff if the organisation they have invested in does not repay the loan i.e. they default.
Credit watch	Variety of special programs offered by credit rating agencies and financial institutions to monitor organisation/individual's (e.g. bank) credit report for any credit related changes. A credit watch allows the organisation/individuals to act on any red flags before they can have a detrimental effect on credit score/history.
Credit Arrangements	Methods of Financing such as finance leasing
Credit Ratings	A scoring system issued by credit rating agencies such as Fitch, Moody's and Standard & Poors that indicate the financial strength and other factors of a bank or similar institution.
Creditworthiness	How highly rated an institution is according to its credit rating.
Debt Management Office (DMO)	The DMO is an agency of the HM Treasury which is responsible for carrying out the Government's Debt Management Policy.
Debt Rescheduling	The refinancing of loans at different terms and rates to the original loan.
Depreciation Method	The spread of the cost of an asset over its useful life.
Gilt	Gilt-edged securities are bonds issued by certain national governments. The term is of British origin, and originally referred to the debt securities issued by the Bank of England, which had a gilt (or gilded) edge. Hence, they are known as gilt-edged securities, or gilts for short. Today the term is used in the United Kingdom as well as some Commonwealth nations, such as South Africa and India. However, when reference is made to "gilts", what is generally meant is "UK gilts," unless otherwise specified.
Interest Rate exposures	A measure of the proportion of money invested and what impact movements in the financial markets would have on them.
The International Monetary Fund (IMF)	is an intergovernmental organisation which states its aims as to foster global monetary cooperation, secure financial stability, facilitate international trade, promote high employment and sustainable economic growth, and reduce poverty around the world.
Impaired investment	An investment that has had a reduction in value to reflect changes that could impact significantly on the benefits expected from it.
LIBID	The London Interbank Bid Rate – it is the interest rate at

	which major banks in London are willing to borrow (bid for) funds from each other.
Market Loans	Loans from banks available from the London Money Market including LOBOS (Lender Option, Borrowing Option) which enable the authority to take advantage of low fixed interest for a number of years before an agreed variable rate comes into force.
Money Market Fund (MMF)	A 'pool' of different types of investments managed by a fund manager that invests in lightly liquid short term financial instruments with high credit rating.
Monetary Policy Committee (MPC)	Committee designated by the Bank of England, whose main role is to regulate interest rates.
Minimum Revenue Provision (MRP)	This is the amount which must be set aside from the revenue budget each year to cover future repayment of loans.
Non Specified Investments	Investments deemed to have a greater element of risk such as investments for longer than one year
Premium	Cost of early repayment of loan to PWLB to compensate for any losses that they may incur
Prudential Indicators	Set of rules providing local authorities borrowing for funding capital projects under a professional code of practice developed by CIPFA and providing measures of affordability and prudence reflecting the Council's Capital Expenditure, Debt and Treasury Management.
PWLB	Public Works Loan Board, a statutory body whose function is to lend money to Local Authorities (LAs) and other prescribed bodies. The PWLB normally are the cheapest source of long term borrowing for LAs.
Specified Investments	Investments that meet the Council's high credit quality criteria and repayable within 12 months.
Supranational bonds	Supranational bonds are issued by institutions that represent a number of countries, not just one. Thus, organisations that issue such bonds tend to be the World Bank or the European Investment Bank. The issuance of these bonds are for the purpose of promoting economic development
Treasury bills (or T-bills)	Treasury bills (or T-bills) mature in one year or less. Like zero-coupon bonds, they do not pay interest prior to maturity; instead they are sold at a discount of the par value to create a positive yield to maturity. Many regard Treasury bills as the least risky investment available.
Unrated institution	An institution that does not possess a credit rating from one of the main credit rating agencies.
Unsupported Borrowing	Borrowing where costs are wholly financed by the Council.

LONDON BOROUGH OF TOWER HAMLETS

COUNCIL MEETING

WEDNESDAY 16th SEPTEMBER 2015

**MOTIONS SUBMITTED BY
MEMBERS OF THE COUNCIL**

**REPORT OF THE SERVICE HEAD,
DEMOCRATIC SERVICES**

SUMMARY

1. Nine motions have been submitted by Members of the Council under Council Procedure Rule 13 for debate at the Council meeting on Wednesday 16th September 2015.
2. The motions submitted are listed overleaf. In accordance with the protocol agreed by the Council on 21st May 2008, the motions are listed by turns, one from each group, continuing in rotation until all motions submitted are included. The rotation starts with any group(s) whose motion(s) were not reached at the previous meeting.
3. Motions must be about matters for which the Council has a responsibility or which affect the Borough. A motion may not be moved which is substantially the same as a motion which has been put at a meeting of the Council in the previous six months; or which proposes that a decision of the Council taken in the previous six months be rescinded; unless notice of the motion is given signed by at least twenty Members.
4. There is no specific duration set for this agenda item and consideration of the attached motions may continue until the time limit for the meeting is reached. The guillotine procedure at Council Procedure Rule 9.2 does not apply to motions on notice and any of the attached motions which have not been put to the vote when the time limit for the meeting is reached will be deemed to have fallen. A motion which is not put to the vote at the current meeting may be resubmitted for the next meeting but is not automatically carried forward.

MOTIONS

Set out overleaf are the motions that have been submitted.

12.1 Motion regarding Rich Mix Cultural Foundation

Proposer: Councillor Oliur Rahman

Seconder: Councillor Shahed Ali

Please note that the above motion includes information defined as Exempt in Part I of Schedule 12A of the Local Government Act 1972. The motion is therefore not for publication and is included in Part 2 of the Council's agenda, for consideration during closed session.

12.2 This motion has been withdrawn.

12.3 Motion regarding experimental borough wide 20mph speed limit

Proposer: Councillor Andrew Wood
Seconder: Councillor Chris Chapman

This Council notes the requirement to make roads safer for all road users.

The Council further notes that for the borough wide 20mph speed limit to be effective, then it must be achieved with the compliance of road users and cannot be enforced on them especially when the police are unable or unwilling to enforce the limit.

The Council notes that in introducing the 20mph speed limit it stated:-
'Successful 20 mph zones and 20 mph speed limits should be self-enforcing'
However, the flawed process whereby the 20mph limit was introduced in Tower Hamlets makes self-enforcement improbable.

Residents do not feel that they were involved and there is already evidence that there is little respect regarding the way in which the borough wide 20mph limit has been implemented, not least as it was one of the final decisions of the former, discredited Mayoral administration.

There are already local concerns as residents have observed police vehicles routinely exceeding the speed limit whilst knowing that ambulances on emergency calls have to drive slowly because of this change does not inspire confidence.

The result is that whilst law-abiding citizens drive more slowly, others do not.

Actual road experience suggests that there is now a greater gap between the fastest and slowest vehicles on the road, more overtaking of vehicles and vehicles are slowing down before reaching the borough's few speed cameras which are currently the only methods of enforcing the speed limit. None of these changes improve safety and overtaking makes minor roads in particular more dangerous.

In 2014 when Tower Hamlets Council consulted on implementing a borough wide 20mph limit there were just 171 responses. It should be noted that those consulted by the former administration did not include elected ward councillors. The result was:

For a borough wide 20mph speed limit – 137
Against the limit – 23
Neutral – 11 people

This figure includes 103 responses (60%) organised by Tower Hamlets Wheelers (the local branch of the London Cycling Campaign) through an automated form on their website.

The Council notes that according to the 2011 census there were 43,589 cars and vans owned by residents of the borough and vehicles per household range from 32% in Spitalfields and Banglatown to 54% in St Katharines and Wapping.

8,112 residents travelled to work by bicycle.

137 For responses represents 0.31% of the people with a car or 0.05% of the total population of the Borough.

The Council believes that this is an inadequate response on which to design policy and to enforce changes on 43,589 overwhelmingly law abiding road users.

The Council believes that If a borough wide 20mph limit is to be introduced beyond the eighteen month experiment as at present, then it must have credibility.

This Council requests the Mayor to consider and report back to the council, the following;

1. That a decision on whether to end or continue the 20mph speed limit is taken via a residents' consultation and / or referendum.
2. That this consultation should take place during the spring of 2016, a year after the scheme was first implemented so that a final decision can be made before the end of the 18 month trial in October 2016.
3. That the consultation should be more sophisticated than a simple yes or no question and should to seek provide residents with more options about what speeds they think appropriate in different areas and different road types.
4. That the process by which this consultation takes place and the questions asked should be discussed in Council in advance.
5. That the Council seek to use this opportunity to fully engage with residents and properly engage with them. This Council in the past has had a lamentable record on public engagement, this is an opportunity to engage with and empower residents to make a major decision. It would therefore greatly assist with the Councils transparency agenda.
6. The Council should seek to engage more than the 171 people who responded to the first consultation and should aspire to engaging with at least 10,000 residents (25% of road users or less than 4% of total residents) if this limit is to have any credibility.

The Council believes that roads are safer when road users use roads more safely. A borough wide 20mph limit will only work when the majority of road users respect the process by which the decision is reached.

12.4 Motion regarding ISIS – A tragic and sickening loss of lives in Tunisia

Proposer: Councillor Rabina Khan

Seconder: Councillor Oliur Rahman

Tower Hamlets Council notes

- The recent tragic, brutal and shocking deaths - on 29th June 2015 - of British citizens who were on holiday in Tunisia
- The earlier tragic disappearance of local schoolgirls who are assumed to have joined ISIS in Syria
- The ongoing threat of ISIS to all – especially the young people
- The potential of radicalisation of youth by misguided and vile ideology of ISIS who do not represent Islam but have hijacked it and are abusing the name

Tower Hamlets Council resolves

- To extend all our sympathy and condolences to the families and friends of those who so tragically lost their lives in Tunisia during this extremely difficult period
- To reaffirm our commitment to resisting the politics of hatred and division in all its forms, and in this specific case, the vile ideology of ISIS who have hijacked the name of Islam and are manipulating young minds. In particular, for ISIS to use the holy month of Ramadan - when Muslims are supposed to be extra conscious of the duties of charity, forgiveness, kindness and looking after all living beings – let alone human beings - for such activity demonstrate their clear and evil misrepresentation of Islam
- To welcome, in April 2015, the distribution of the council's counter-terrorism guide for parents at schools and places of worship, and to continue to develop this strategy based on effectiveness and resident feedback
- To continue to work together and get to know one another at personal and human level – from all religions and none – to dismantle any misguided perceptions, propaganda and misrepresentation of each other in our society
- To observe a minute's silence for the Tunisian and 7/7 victims at the full Council meeting
- Write to local schools to launch a competition to hear from young people about their views and potential solutions and suggestions to the radicalisation issue – the winner should be invited to meet all Members/representatives of all three Groups in the Council and be given an opportunity to present the winning proposal in the Chamber at an appropriate Council meeting

12.5 Motion regarding the Local Authority Mental Health Challenge

Proposer: Councillor Amy Whitelock Gibbs

Seconder: Councillor Rachael Saunders

This Council notes:

1. 1 in 5 people has a mental health condition at any one time.
2. The World Health Organisation predicts that depression will be the second most common health condition worldwide by 2020.
3. Mental ill health has an economic and social cost of £105 billion each year in England alone.
4. People with a severe mental illness die up to 20 years younger than their peers in the UK.
5. There is often a circular relationship between mental health and issues such as housing, overcrowding, employment, family problems or debt.
6. The Local Authority Mental Health Challenge was set up by Centre for Mental Health, Mental Health Foundation, Mind, Rethink Mental Illness, Royal College of Psychiatrists and YoungMinds, to support councils to take a proactive approach to improving mental health in local communities.

This Council further notes:

1. The local Mental Health Strategy states that “Tower Hamlets has amongst the highest levels of mental health need in England.”
2. The strategic plan, recently revised under the current Mayor, includes a strategic priority to “reduce health inequalities and promote mental and physical wellbeing”, including a specific action to “promote positive mental health and wellbeing across the council and community”.
3. Full Council previously passed a motion on 22 Jan 2014, agreeing to sign up to the Local Authority Mental Health Challenge and commit to its 10 actions, but the previous Mayor and Cabinet failed to take this forward.

This Council believes:

1. As a local authority we have a crucial role to play in improving the mental health of everyone in our community and tackling some of the widest and most entrenched inequalities in health.
2. Mental health should be a priority across all the local authority’s functions, from public health, adult social care and children’s services to housing, planning and public realm.

3. All Councillors, whether members of the Executive or Scrutiny and in our community and casework roles, can play a positive role in championing mental health on an individual and strategic basis.

This Council resolves:

To publicly sign the Local Authority Mental Health Challenge.

To support implementation of the Challenge and its commitments through an action plan, which integrates with and builds on the council's strategic plan and the Health and Wellbeing Board's Mental Health Strategy.

We commit to the 10 pledges that form the Mental Health Challenge:

1. Appoint an elected member as 'mental health champion' across the Council
2. Identify a 'lead officer' for mental health to link in with colleagues across the Council
3. Follow the implementation framework for the mental health strategy where it is relevant to the Council's work and local needs
4. Work to reduce inequalities in mental health in our community
5. Work with the NHS to integrate health and social care support
6. Promote wellbeing and initiate and support action on public mental health, for example through our joint health and wellbeing strategy
7. Tackle discrimination on the grounds of mental health in our community
8. Encourage positive mental health in our schools, colleges and workplaces
9. Proactively engage and listen to people of all ages and backgrounds about what they need for better mental health
10. Restate the commitment to the Time to Change pledge, the national programme to challenge mental health stigma and discrimination.

We further commit to support councillors and staff to promote positive mental health and support people with mental health problems:

11. Introduce mental health awareness training for all elected members and promote the Local Authority Mental Health Challenge guide for councillors, to ensure we can support our constituents and know the appropriate referral routes.
12. Introduce training for frontline staff, such as housing and lettings teams, so they can identify, signpost and support people with mental health needs appropriately, including knowing the right referral routes to ensure people get timely help.

12.6 Motion regarding CIL Boundaries on the Isle of Dogs

Proposer: Councillor Peter Golds

Seconded: Councillor Andrew Wood

The Council notes:

That in April 2015 Tower Hamlets Council introduced the Community Infrastructure Levy (CIL).

That across the Isle of Dogs there are four CIL zones;

- Zone 1 £200 per square meter – including the One Housing managed Barkantine estate
- Zone 2 £65 per square meter – including the One Housing managed Kingsbridge estate
- Zone 3 £35 per square meter – including the One Housing managed Samuda and St Johns estates
- And in some areas the CIL has been set at zero.

That the Isle of Dogs is one of the most intense development areas in London with some of the highest sales prices in London for new developments but has been divided up between these four zones.

That when officers were questioned as to how these zones had been set councillors were informed;

“It is the prevailing sales values of an area that must be taken into account, i.e. an average of all property values across an area taking into account all property-specific circumstances, such as housing mix and having or not having a river view.”

There are two fundamental flaws in this calculation methodology;

1. It assumes that a 2 bedroom apartment in a brand new 40 storey tower with swimming pools, marble floors, gyms, concierges, designer furniture designed for a foreign property market will be sold for the same price as a One Housing Group maintained 1960's local authority-developed two bedroom apartment sold through a local estate agent.
2. It does not take account of local knowledge. Equivalent apartments in similar developments achieve very similar sales prices across the three main CIL zones on the island. This can be easily verified by using price comparison websites like Zoopla or even examining advertisements in local estate agents.

That there is also a third fundamental flaw in the process that set the CIL boundaries. During the period of time that CIL was being set One Housing Group were discussing with the council their proposed Project Stone. Project Stone would potentially replace 2,000 1960's built housing units with 9,000 brand new housing units. The new private units would be built closest to Canary Wharf, the river or the Crossharbour DLR station i.e. all locations that would maximise their sales value.

That in the documents presented to the One Housing Board regarding Project Stone and understood to have been shared with Tower Hamlets, the Crossharbour and Samuda areas are described as “development hotspots.”

Furthermore One Housing confirm that they are marketing their proposals to “international investors, company purchases and those seeking midweek accommodation.”

The Council further notes:

That the failure to not take account of Project Stone, the price discrepancy between old and brand new developments and the inability to identify like for like in the process could cost the Council at least £43.4 million pounds in lost CIL funds if Project Stone were to go ahead as proposed. The £43.4 million number is a calculation the Conservative Group has done as the Council has chosen not to do a similar calculation despite it being requested to do so.

Project Stone - One Housing Group & Implications of not changing CIL boundaries

	Original Number of Homes	New Number of Homes	Increase in Homes	Increase %	CIL Zone	Number of private units approximately 70%	Avg Size Apartment sq m	CIL at £35 per sq m	CIL at £65 per sq m	CIL at £200 per sq m	Existing CIL on Island	New Island wide CIL at £200 per sq m	Difference
Barkantine	769	3,467	2,698	351%	1	2,427	70			£33,976,600	£33,976,600	£33,976,600	£0
St Johns	607	2,809	2,202	363%	3	1,966	70	£4,817,435			£4,817,435	£27,528,200	£22,710,765
Samuda	517	2,213	1,696	328%	3	1,549	70	£3,795,295			£3,795,295	£21,687,400	£17,892,105
Kingsbridge	134	407	273	204%	2	285	70		£1,296,295		£1,296,295	£3,988,600	£2,692,305
	2,027	8,896	6,869	339%		6,227		£8,612,730	£1,296,295	£33,976,600	£43,885,625	£87,180,800	£43,295,175

That the CIL from Samuda & St Johns (5,022 apartments) would not even be enough to build and outfit one primary school, which would mean all of the other supporting infrastructure would have to be subsidised by other parts of the Borough.

Therefore;

This Council recommends that CIL be set universally across the island at £200 per square meter to reflect the global appetite for apartments in one of the most attractive parts of London and that this be done at the earliest possible opportunity.

12.7 Motion regarding Welfare Reform Bill

Proposer: Councillor Mahbub Alam

Seconder: Councillor Oliur Rahman

The Council notes that:

The biggest single cut to welfare spending is set to come from extending the freeze in working age benefits, tax credits and local housing allowance out to 2020. That will affect 13 million families who will lose an average of £260 a year as a result of this one measure. After about 2017 this will mean that most benefit rates will have fallen back behind their 2008 levels both relative to price inflation and relative to earnings growth”

The two Labour MPs, Rushanara Ali and Jim Fitzpatrick, did not vote against Tory Party’s welfare reform Bill in the House of Commons

As a result of their inaction, and many other Labour Members of Parliament, who are technically in opposition to Conservative Government, the House of Commons backed the Welfare Reform and Work Bill by 308 to 124 votes.

Forty-eight Labour MPs defied orders to abstain and instead voted against the bill, which includes plans to limit child tax credit to two children

Acting Labour leader Harriet Harman suffered a significant rebellion in the vote.

Forty-eight Labour MPs defied orders to abstain and instead voted against the bill, which includes plans to limit child tax credit.

Comment made by Labour MP Diane Abbott “Just voted against Tory welfare bill. Sorry for colleagues who knew it was wrong but abstained. We weren’t sent to Parliament to abstain”

The Council resolves:

This Council is against the blanket, punitive and ideologically-driven austerity agenda adopted by the Conservative Government

To write to the two local Labour MPs, Rushanara Ali and Jim Fitzpatrick (who did not vote against Tory Party’s welfare bill), George Osborne and relevant Minister to highlight the devastating impact of this Conservative Welfare Bill on our families in Tower Hamlets who are struggling to make ends meet despite their best efforts due to cuts

The impact will be further highlighted due to particular impact of poverty and child deprivation in Tower Hamlets. The Institute for Fiscal Studies says that nearly two thirds of British children living in poverty are in working families and that tax and benefit changes announced in the budget will increase inequality.

Praises Labour Leadership hopeful Jeremy Corbyn MP who is leading the fight against austerity - Tory social engineering, privatisation of Public Sector and NHS – who did not vote against this ideologically-driven Tory Bill.

12.8 Motion regarding Mainstream Grants and Commissioners

Proposer: Councillor Rachael Saunders

Seconded: Councillor Danny Hassell

This Council notes:

1. The decision of Department for Communities and Local Government to appoint Commissioners to exercise and oversee certain executive functions within the council, following serious governance concerns identified under the previous administration.
2. The Mayor's commitment to open and transparent decision making.
3. That the role of the commissioners is due to the previous mayor's failures and that we need to work towards an exit of the commissioners and the reassertion of democratic decision making.
4. The previous Mayor and Tower Hamlets First failed to co-operate with the process – the Labour Group has and will continue to take a more active role in grants decisions.
5. The importance of scrutiny of the executive's grants decisions.
6. Recent decisions made on Mainstream Grants (MSG) made by the Commissioners for 2015-2018.
7. There were over 370 applications for MSG, with £9.1m in funding allocated to 131 projects in the borough.
8. The importance of a strong, open, honest and supportive relationship with local third sector organisations.
9. A number of Labour and Conservative councillors attended the Commissioners' Decision Making Meeting for grant funding allocations, to highlight a number of excellent local organisations who were not recommended for funding.

This Council believes:

1. There was a severe lack of transparency and accountability regarding decisions on grant making under the previous administration.
2. There was a lack of clear and consistent benchmarking, objectives and auditing for grant funding under the previous administration.
3. As a result the former Mayor undermined the process which led, with other governance failures, to the appointment of Commissioners.
4. There is a clear role for elected members in informing the grant making process and understanding local need, but that this must be done within a clear framework to ensure transparency, scrutiny and accountability.

5. The mainstream grants process has a key role in supporting the excellent work of many local organisations.
6. There is a need to establish a fair process for grant funding, which reflects local need of communities across the borough and maintains the confidence of local residents

This Council resolves:

1. To call on the Mayor to establish a fair, transparent and robust process for future grant funding so that residents, voluntary organisations and other relevant authorities can be satisfied that decisions on grant funding can be determined by the council and its elected members.
2. To call on the Mayor to introduce an effective standing scrutiny mechanism.
3. To call on the Executive to do everything within its power to ensure a fair process for grants funding and to work with the CVS to support organisations in accessing further funding.

12.9 Motion regarding TfL and CS2 Cycle Superhighway Upgrade

Proposer: Councillor Amina Ali

Seconder: Councillor Asma Begum

This Council notes:

1. That TfL is currently carrying out works along Whitechapel Road/Mile End Road/Bow Road to implement the CS2 Cycle Superhighway upgrade.
2. That these works are due to last until Spring 2016.
3. The changes to the Mile End Road/Burdett Road/Grove Road crossing and the introduction of a right turn prohibition at Mile End.
4. A serious increase in traffic congestion on Grove Road, Roman Road, Old Ford Road and streets around Hamlets Way.

This Council believes:

1. TfL has vastly underestimated the impact of the changes.
2. This is making all of these roads more dangerous for pedestrians and cyclists.

This Council resolves:

1. To express its concern to TfL about these poorly designed changes.
2. To request Council officers to meet urgently with TfL to review traffic flow on other roads as a result of the changes to Mile End Road, in order to address the impact on other roads and agree an action plan for the safety of road users.