

**LONDON BOROUGH OF TOWER HAMLETS****MINUTES OF THE CABINET****HELD AT 5.31 P.M. ON WEDNESDAY, 9 JANUARY 2019****C1, 1ST FLOOR, TOWN HALL, MULBERRY PLACE, 5 CLOVE CRESCENT,  
LONDON, E14 2BG****Members Present:**

Mayor John Biggs	
Councillor Sirajul Islam	(Statutory Deputy Mayor and Cabinet Member for Housing)
Councillor Rachel Blake	(Deputy Mayor and Cabinet Member for Regeneration and Air Quality)
Councillor Asma Begum	(Deputy Mayor and Cabinet Member for Community Safety and Equalities)
Councillor Amina Ali	(Cabinet Member for Culture, Arts and Brexit)
Councillor David Edgar	(Cabinet Member for Environment)
Councillor Danny Hassell	(Cabinet Member for Children, Schools and Young People)
Councillor Denise Jones	(Cabinet Member for Adults, Health and Wellbeing)
Councillor Candida Ronald	(Cabinet Member for Resources and the Voluntary Sector)
Councillor Motin Uz-Zaman	(Cabinet Member for Work and Economic Growth)

**Other Councillors Present:**

Councillor Peter Golds	
Councillor Abdal Ullah	
Councillor Andrew Wood	(Leader of the Conservative Group)

**Officers Present:**

Richard Baldwin	(Divisional Director, Children's Social Care)
Janet Fasan	(Divisional Director, Legal)
Asmat Hussain	(Corporate Director, Governance and Monitoring Officer)
Tom McCourt	(Strategic Director)
Neville Murton	(Acting Corporate Director, Resources)
Denise Radley	(Corporate Director, Health, Adults & Community)
Ann Sutcliffe	(Acting Corporate Director, Place)
Will Tuckley	(Chief Executive)
Stephen Bramah	(Deputy Head of the Mayor's office)
Richard Chilcott	(Acting Divisional Director, Property and Major Programmes)
David Courcoux	(Head of the Mayor's Office)
Sharon Godman	(Divisional Director, Strategy, Policy and Performance)
Steve Hill	(Head of Benefits Services, Resources)
Adam Boey	(Senior Strategy & Policy Manager - Corporate)

Lee Fearon  
Matthew Mannion

(Benefits Policy and Procedures Manager)  
(Committee Services Manager, Democratic  
Services, Governance)

## **1. APOLOGIES FOR ABSENCE**

Apologies for absence were received on behalf of:

- Asmat Hussain (Corporate Director, Governance) for whom Janet Fasan (Divisional Director, Legal Services) was deputising.
- Debbie Jones (Corporate Director, Children's Services) for whom Richard Baldwin (Divisional Director, Children's Social Care) was deputising.

## **2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS**

There were no Declarations of Disclosable Pecuniary Interests.

## **3. UNRESTRICTED MINUTES**

### **RESOLVED**

1. That the unrestricted minutes of the Cabinet meeting held on Wednesday 19 December 2019 be approved and signed by the Chair as a correct record of proceedings.

## **4. ANNOUNCEMENTS (IF ANY) FROM THE MAYOR**

The **Mayor** noted that there were two by-elections taking place on Thursday 7 February 2019 to fill vacancies in the Lansbury and Shadwell Wards.

## **5. OVERVIEW & SCRUTINY COMMITTEE**

### **5.1 Chair's Advice of Key Issues or Questions**

There were no Pre-Decision Scrutiny Questions but the Chair of the Overview and Scrutiny Committee set out the Committee's plans to scrutinise the Council's draft budget proposals at their upcoming meeting on Monday 14 January 2019 where he was looking forward to welcoming the Mayor and Lead Members to take part in the discussions.

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

Nil items.

## 6. UNRESTRICTED REPORTS FOR CONSIDERATION

### 6.1 Mayor's Foreword to the Council's Budget Report

#### RESOLVED

1. To note the report.

### 6.2 The Council's 2019-20 Budget Report and MTFS 2019-22

Councillor Candida Ronald, Cabinet Member for Resources and the Voluntary Sector, introduced the report on the draft budget proposals. She took the meeting through the financial background to the report including around government funding reductions and pressures on services. She highlighted that significant cuts to funding were still expected and so it was important for the Council to be able to focus on those areas residents valued most.

She highlighted how the consultation responses were valuable in understanding resident priorities and that they were reflected in the report.

The **Mayor** welcomed how the budget proposals reflected his manifesto ambitions to create a cleaner, safer and fairer borough. He then opened up the discussion to Members.

A number of Members spoke to highlight specific issues and areas within the budget including around:

- Waste, recycling, the street scene and the environment.
- Improvements to the out of hours environmental health service.
- Anti-social behaviour, crime, gang culture and security.
- Tackling drug and alcohol misuse.
- Investment in early years education, free school meals for primary school children and children's social care.
- Work to tackle poverty.
- The commitment to support older people and investments in adult social care.

The **Mayor** thanked everyone for their contributions. He **agreed** the recommendations set out and stated he looked forward to reading the response of the Overview and Scrutiny Committee to these draft recommendations.

#### RESOLVED

1. To propose a draft General Fund Revenue Funding Requirement of £342.560m subject to any changes arising from the Final Local Government Finance Settlement.
2. To propose a Band D Council Tax of £1,019.67 for 2019-20 to be referred to Full Council for consideration.

3. To confirm the Council's decision to participate in the 75% London Business rates pilot for 2019-20 and note the deadline of the 10<sup>th</sup> January 2019 for authorities wishing not to participate.
4. To agree the draft 2019-20 Housing Revenue Budget as set out in Appendix 8A.
5. To agree the draft 2019-20 Management Fee payable to Tower Hamlets Homes (THH) of £31.105m as set out in Table 6.
6. To note that, under section 23 of the Welfare Reform and Work Act 2016 the authority must implement a rent reduction of 1% for four years, starting in April 2016, and consequently to agree an average weekly rent reduction of 1% to take effect from the first rent week of April 2019. This equates to an average weekly rent reduction of £1.08.
7. To agree that the average weekly tenanted service charge will be increased by 3.4% from the first rent week in April 2019. This equates to an average weekly increase in tenanted service charge of approximately £0.28.
8. To note the following matters:

**General Fund revenue Budget for 2019-20 and Medium Term Financial Strategy 2019-20 to 2021-22**

The initial budget proposals and Council Tax for 2019-20 together with the Medium Term Financial Strategy set out in Appendix 1A to the report.

**Budget Consultation**

The outcome of consultation with business ratepayers, residents and other stakeholders as set out in Section 3.13 of the report and Appendix 10 to the report.

**Funding**

The funding available for 2019-20 and the indications and forecasts for future years as set out in Section 3.4 of the report.

**Growth and Inflation**

The risks identified from the potential growth and inflation commitments arising in 2019-20 and future years as set out in Section 3.5 of the report and Appendix 3 to the report.

**Savings**

New proposed saving items to be delivered in 2019-22 as set out in Section 3.6 of the report and Appendix 4 to the report.

**Financial Risks: Reserves and Contingencies**

The strategic budget risks and opportunities as set out in Section 3.7 of the report and the assessment of risk as detailed in Appendix 6 to the report.

**Reserves and Balances**

The reserves policy and proposed approach to the strategic use of reserves as set out in Section 3.8 of the report and the projected movement in Reserves as detailed Appendix 5 and 7 to the report.

**Schools Funding**

The position for schools' funding including the Dedicated Schools Grant as set out in Section 3.9 of the report.

**Housing Revenue Account**

The position of the Housing Revenue Account; proposals for Rent and Tenanted Service Charge Setting 2019-20 and Equalities impact assessment set out in Section 3.10 of the report and Appendix 8 to the report.

**Capital Programme**

The Capital Programme to 2018-29; including proposed revisions to the current programme as set out in Section 3.11 of the report and detailed in Appendix 9 to the report.

9. To note the Equalities Impact Assessment / specific equalities considerations as set out in Section 4 of the report.

**6.3 Calculation of Council Tax Base 2019/20**

Neville Murton, Acting Corporate Director, Resources, introduced the report. He explained that this was a technical report required to allow the Council and precepting authorities to make the necessary Council Tax calculations.

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

**RESOLVED**

1. To approve, in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 2012, that the amount calculated by the London Borough of Tower Hamlets as its Council Tax Base for the year 2019/20 shall be 98,396.

**6.4 Report of the Overview and Scrutiny Committee: Local Council Tax Reduction Scheme scrutiny challenge report**

This Agenda Item was taken together with Agenda Item 6.5 (Local Council Tax Reduction Scheme 2019-20) and the combined minute is presented here. The resolution for Item 6.5 is set out under that item in the minutes.

Councillor Candida Ronald, Cabinet Member for Resources and the Voluntary Sector, introduced the reports. She thanked Councillor Marc Francis and the Overview and Scrutiny Members for their work on this topic, helping to build understanding on the challenges that were faced. In particular she highlighted the impact of the introduction of Universal Credit and the need to communicate with residents to prepare them for the change.

Turning to the recommendations coming out of the Scrutiny session, she welcomed them with the exception of Recommendation 6 which, as set out in the cover report, she proposed should not be taken forward.

In terms of the report on the proposed changes to the Local Council Tax Reduction Scheme set out at Item 6.5, she welcomed the report but proposed a change suggesting that Recommendation 5 on the two-child limit be not taken forward.

Members then discussed both reports with support given to the proposed amendment to the recommendations of Item 6.5.

The **Mayor** thanked everyone for their contributions, and officers for their work. He highlighted that the Council had one of the most generous discount schemes available. He noted the discussion around the recommendations of both reports. He confirmed agreement with the proposals on the cover report of Agenda Item 6.4 to not accept Recommendation 6 from the Scrutiny Review. On Agenda Item 6.5 he agreed with the proposed change to recommendations to not take Recommendation 5 forward due to the uncertainty at a national level in respect of the two-child limit rules.

He **agreed** both sets of recommendations allowing for those comments.

## **RESOVLED**

1. To note the report as agreed by Overview and Scrutiny Committee in October 2018 (Appendix one to the report).
2. To note officers' response to Overview and Scrutiny Committee's findings together with the proposed action plan for implementation (Appendix two and appendix three to the report).
3. To note the recommendations arising from the LCTRS scrutiny challenge session and agree recommendations 1,2,3,4,5 and 7.
4. To not agree recommendation 6 arising from the LCTRS challenge session.

### **6.5 Local Council Tax Reduction Scheme 2019-2020**

This item was taken alongside Agenda Item 6.4 (Report of the Overview and Scrutiny Committee: Local Council Tax Reduction Scheme scrutiny challenge report) and the combined minute is presented under that item. The resolution for this item is presented below.

**RESOLVED**

1. To note the feedback from the consultation on the Local Council Tax Reduction Scheme.
2. To note the options to revise the current scheme.
3. To agree the amended Local Council Tax Reduction Scheme be recommended to Council for consideration subject to the following change:
  - a. That Recommendation 5 set out in the proposed report to Council is not taken forward. (5. To agree to use the same child allowances in the local Council Tax Reduction scheme assessments as those used in Child Tax Credit, Housing Benefit and the Local Council Tax Reduction assessments for pensioners and to apply this in respect of third or successive children born after April 2019).

**6.6 Mulberry Place, 5 Clove Crescent, London E14 2BG - New Lease**

The **Mayor** introduced the report on new lease arrangements for the Mulberry Place Town Hall. He referred Members to the information set out in the report around the alternative options that had been explored and how this was the best available alternative. He also noted the appendix which was exempt under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 as the information related to the financial or business affairs of the Council and third party.

The mayor also noted that the Chair of the Overview and Scrutiny Committee had agreed to exempt the report from the call-in process as any delay could put at risk the agreements the Council had made.

Members discussed the report looking at whether this represented best value for money for the Council and also noted the potential impact of having to relocate shortly before a further relocation to the new Whitechapel site.

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

**RESOLVED**

1. To agree that the Council surrenders the existing lease of Mulberry Place and simultaneously enters into a new lease, on the terms set out in the report.
2. To agree that the final negotiations for the surrender and re-grant are delegated to the Acting Corporate Director Place working in liaison with the Corporate Director Governance to complete the required transactions by 31<sup>st</sup> January 2019.

3. To agree to consider the information in Appendix 1 as exempt in accordance with section 12A of the 1972 Act, (3) Information relating to the financial or business affairs of any particular person (including the authority handling the information).

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

Nil items.

**8. EXCLUSION OF THE PRESS AND PUBLIC**

Nil items.

**9. EXEMPT / CONFIDENTIAL MINUTES**

Nil items.

**10. OVERVIEW & SCRUTINY COMMITTEE**

**10.1 Chair's Advice of Key Issues or Questions in Relation to Exempt / Confidential Business**

Nil items.

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

Nil items.

**11. ANY OTHER EXEMPT/ CONFIDENTIAL BUSINESS CONSIDERED TO BE URGENT**

Nil items.

The meeting ended at 6.19 p.m.

MAYOR JOHN BIGGS