

**LONDON BOROUGH OF TOWER HAMLETS**

**MINUTES OF THE CABINET**

**HELD AT 5.35 P.M. ON WEDNESDAY, 12 JANUARY 2011**

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

**Members Present:**

Mayor Lutfur Rahman (Mayor)	(Mayor)
Councillor Ohid Ahmed (Deputy Mayor)	(Deputy Mayor)
Councillor Alibor Choudhury	(Cabinet Member for Resources)
Councillor Rabina Khan	(Cabinet Member for Housing)
Councillor Rania Khan	(Cabinet Member for Regeneration)
Councillor Oliur Rahman	(Cabinet Member for Children's Services)

**Other Councillors Present:**

Councillor Stephanie Eaton	(Leader, Liberal Democrat Group)
Councillor David Edgar	
Councillor Judith Gardiner	
Councillor Carlo Gibbs	
Councillor Peter Golds	(Leader, Conservative Group)
Councillor Ann Jackson	(Chair, Overview & Scrutiny Committee)
Councillor Anna Lynch	(Deputy Chair of Council)
Councillor Motin Uz-Zaman	(Chair of Council)

**Others Present:**

**Officers Present:**

Mark Abrahams	– (Interim Service Head Procurement and Programmes, Resources)
Andy Algar	– (Service Head Asset Management, Development & Renewal)
Andy Bamber	– (Service Head Community Safety, Communities, Localities & Culture)
Isobel Cattermole	– (Acting Corporate Director, Children, Schools & Families)
Rachael Chapman	– (Strategy & Policy Officer, Adults Health & Wellbeing)
Ahzaz Chowdhury	– (Political Advisor to Conservative Group, Chief Executive's)

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| Kevan Collins    | – (Chief Executive)   |
| Margaret Cooper  | – (Section Head Transportation & Highways, Public Realm, Communities Localities & Culture)                                      |
| Aman Dalvi       | – (Corporate Director, Development & Renewal)   |
| Alan Finch       | – (Service Head Corporate Finance, Resources)   |
| Stephanie Ford   | – (Interim Performance Manager, Strategy & Performance, Chief Executive's)  |
| Isabella Freeman | – (Assistant Chief Executive - Legal Services, Chief Executive's)   |
| Stephen Halsey   | – (Corporate Director Communities, Localities & Culture)  |
| Chris Holme      | – (Service Head Resources, Development & Renewal)   |
| Afazul Hoque     | – (Scrutiny Policy Manager, Scrutiny & Equalities, Chief Executive's)   |
| Minesh Jani      | – (Service Head, Risk Management)   |
| Paul Leeson      | – (Finance Manager, Development & Renewal)  |
| Shazid Miah      | – (Political Advisor to the Mayor, Chief Executive's)   |
| Keiko Okawa      | – (Scrutiny Policy Officer, Scrutiny & Equalities, Chief Executive's)   |
| Lorena Persano   | – (Project Officer Transportation & Highways, Public Realm, Communities Localities and Culture - Transport for London Secondee) |
| Chris Saunders   | – (Political Advisor to the Labour Group, Chief Executive's)  |
| Takki Sulaiman   | – (Service Head Communications, Chief Executive's)  |
| Ann Sutcliffe    | – (Service Head Building Schools for the Future, Development & Renewal)   |
| Helen Taylor     | – (Acting Corporate Director Adults Health & Wellbeing)   |
| Paul Thorogood   | – (Service Head Resources, Adults Health and Wellbeing)   |
| Kazim Zaidi      | – (Interim Policy Advisor, Chief Executive's)   |
| Angus Taylor     | – (Executive Team Leader, Democratic Services, Chief Executive's)   |
| John Williams    | – (Service Head, Democratic Services, Chief Executive's)  |

**MR L. RAHMAN (MAYOR) IN THE CHAIR**

**MAYOR'S WELCOME AND OPENING STATEMENT**

The Mayor:

- Welcomed those present in the public gallery to the third meeting of the Cabinet, since his election as Mayor of Tower Hamlets, and wished them a happy new year.
- Made an opening statement as follows:-
  - In the last three months he and his administration had worked hard to put together a Budget proposal for the Council that aimed to protect frontline services for everyone in the diverse community making up Tower Hamlets, but in particular softened the blow for the most vulnerable elements of that community.
  - The Budget proposal had been published just before the Christmas break, and the Cabinet meeting that evening gave an opportunity to scrutinise the proposal in depth.
  - 2011/12 would be just the first year in which Tower Hamlets Council faced cuts, and there might well be three, four or even five more years of these. He believed that cuts on this scale were unnecessary and ideologically motivated. Consequently he and his administration were lobbying hard at the local, national and regional levels to claw back what it could. Nevertheless further savings would need to be found in the coming years, and he and his team were already looking ahead to meet these new challenges. As a result he was that evening announcing two major reviews of how the Council provided some of its services.

First: he had asked officers to draw up a full range of options for the future of East End Life. East End Life helps the Council fulfil its duty to communicate with residents and many residents rely on it for information on lettings, but in these tough times he and his administration needed to be sure that all Council services were providing value for money. As Mayor he now gave an undertaking to scrutinise all the options carefully, and in consultation with councillors the public and other stakeholders, to ensure an outcome that delivered the necessary savings, but also still met the requirement to keep residents updated with Council activities.

Second: he was closely examining the way social housing was delivered and maintained by the Council, and was pleased to announce that the Council had that week submitted a bid to the Homes and Communities Agency (HCA) for approximately £163 million for decent homes work. This funding would be essential if the Administration was to be able to give residents the homes they deserved. However, the national policy context for social housing was changing drastically. Not only was funding being cut, but the way social rented housing would be built, allocated and managed was being totally restructured. One of the key changes is that an ALMO (Arms Length Management Organisation) was no longer needed to secure Decent Homes funding. Consequently, to make sure the Council continued to provide the most efficient service possible, as Mayor, he had instructed officers to carry out an options

appraisal to identify if the ALMO was still the best way to deliver social housing. He made it clear that this review in no way reflected on the ALMO's performance, indeed he had been very pleased with the progress made by Tower Hamlets Homes, rather the entire landscape for housing policy was changing and he wanted to be sure Tower Hamlets was well placed to respond to those changes.

- In conclusion the Mayor indicated that he was looking forward to going through this budget proposal with colleagues from all parties and expressed the hope that together they could consolidate the work already done and deliver a consensual Budget that met the aspirations of all their constituents.

### **ADJOURNMENT**

At this juncture the Mayor informed those present that before he and his Cabinet proceeded to consideration of the substantive business set out in the agenda, there would be an opportunity for the public to put questions to himself, the Deputy Mayor, and other Members comprising the Cabinet who were present. Accordingly the Mayor **Moved** the following motion for the consideration of members of the Cabinet, and it was: -

### **Resolved**

That the Cabinet adjourn for a short period of up to 15 minutes, at 6.00pm, and that the meeting reconvene thereafter.

**The meeting adjourned at 6.00pm**

**The meeting reconvened at 6.15pm**

### **Question & Answer Session**

Members of the public sought and were given clarification in relation to the following points:

- Whether, in the context of Cabinet consideration of proposals for the Council's Budget in 2011/12, that included significant cuts in spending, proposals were being made for cuts in allowances etc paid to councillors.
- With reference to page 157 of the agenda [agenda item 10.1 "General Fund Revenue Budget and Medium Term Financial Plan 2011/2012 to 2013/2014" - Appendix D2 - Savings proforma AHWB 1 – Promoting independence and reducing demand for domiciliary care through reablement – Equality Impact Assessment Test of Relevance] – Para 2: whether this was jargon for a process comprising an assessment of people with a view to outsourcing more care. Also what mechanisms were in place to monitor arrangements for any further outsourcing of care.

- It was understood that the Budget report included proposals for social care and in particular in-house care support workers, what plans were there for the in-house support admissions team.
- It was understood that the Budget report included proposals for cuts in Children's Services, but in particular did this include a reduction in the number of managerial posts for early years provision/ Children's Centres from 13 to 4 across the borough.
- Would the Mayor and his administration consider the imposition of a levy on multi-million pound businesses located in the borough, as a way to increase the Council's income.
- Closure of a local adventure playground without notice to residents and parents and whether this was an indication of savings proposals within the Council's Budget.
- It was understood that the Budget report included proposals for cuts in sure start/ Children Centre services staffing, where staff were considered to be working to full potential and where the service was acknowledged to be successful and making a difference for the community. Investment should continue in services that were making a difference, and this saving should not be accepted, could the Council refuse to make the cuts in spending requested by Government.

The Chief Executive indicated that a question received in writing from Mr A. Hussain (local resident), who was not present in the public gallery, would receive a written response.

## **1. APOLOGIES FOR ABSENCE**

Apologies for absence were received on behalf of:

- Mr C. Naylor, Corporate Director Resources for whom Mr A. Finch, Service Head Corporate Finance, Resources, was deputising.

Apologies for lateness were received on behalf of:

- Councillor Rania Khan, Cabinet Member for Regeneration.

**Noted.**

## **2. DECLARATIONS OF INTEREST**

No declarations of interest were made pertaining to the unrestricted business to be considered in Section One of the proceedings.

## **3. UNRESTRICTED MINUTES**

Councillor Jackson, Chair of the Overview and Scrutiny Committee, speaking with the consent of the Mayor and Cabinet, commented that there were several references in the minutes to Councillor Rahman, Cabinet Member for Children's Services, and suggested that the minutes should be amended to

include the first name of Councillor Rahman (Oliur) in order to promote clear differentiation from Mayor Rahman.

Councillor Rabina Khan, Cabinet Member for Housing, proposed that if her apologies for absence, submitted to the last meeting of the Cabinet, were not recorded, the minutes should be amended accordingly. [The apologies for absence were recorded on page 4 of the minutes].

The Mayor **Moved** (taking account of the suggested amendment from Councillor Jackson); and it was: -

### **Resolved**

That subject to the amendment set out below the unrestricted minutes of the ordinary meeting of the Cabinet held on 1<sup>st</sup> December 2010 be approved and signed by the Mayor, as a correct record of the proceedings:-

- All references to Councillor Rahman, Cabinet Member for Children's Services, to include his first name (Oliur) to promote clear differentiation from Mayor Rahman.

## **4. DEPUTATIONS & PETITIONS**

At this juncture the Mayor informed members of the Cabinet that the Assistant Chief Executive had received one valid request, from the trades unions "staffside", to address them in respect of Agenda Item 10.1 "General Fund Revenue Budget and Medium Term Financial Plan 2011/2012 to 2013/2014".

### **Variation to Order of Business**

The Mayor also indicated that he considered it appropriate that the Order of Business be varied so that following receipt of the deputation:

- Consideration be given next to Agenda item 5.1 "Chair's Advice of Key Issues or Questions in relation to Unrestricted Business to be considered", because the clerk had advised that the report which was the subject matter of the deputation would also be the subject of matters to be raised by the Chair of the Overview and Scrutiny Committee [pre-scrutiny questions].
- Subsequently consideration be given to Agenda Item 10.1 "General Fund Revenue Budget and Medium Term Financial Plan 2011/2012 to 2013/2014" which was both the subject matter of the deputation and also several pre-scrutiny questions.
- Thereafter the Cabinet return to the order of business detailed in the agenda.

Accordingly the Mayor **Moved** the following motion for the consideration of members of the Cabinet, and it was: -

### **Resolved**

That the Order of Business be varied so that following the receipt of deputations, Agenda item 5.1 "Chair's Advice of Key Issues or Questions in relation to Unrestricted Business to be considered" be considered next, subsequently Agenda Item 10.1 "General Fund Revenue Budget and Medium Term Financial Plan 2011/2012 to 2013/2014" (CAB 070/101), and thereafter the Cabinet return to the order of business detailed in the agenda.

At this juncture the Mayor informed members of the Cabinet that a statement had been **Tabled** by the Staffside deputation, a copy of which would be interleaved with the minutes.

Following receipt of the deputation, points of clarification sought and given, and an address from Councillor Choudhury, Cabinet Member for Resources, including the following points:

- Thanking staffside for their moving address and concurring in principle with the sentiments expressed: that the services provided by the Council were important and valuable, that the cuts in funding by Government were of an unprecedented scale, and these would inevitably harm communities.
- Thanking the trades unions for their participation in constructive dialogue with the Mayor and his administration during the Authority's Budget process to date. Giving an undertaking that the Mayor and Cabinet hoped to continue this engagement in the weeks and months ahead, and with other service providers too.
- That the Mayor and his administration aspired to deliver improved services for the local community, and would make every effort to work together with the trades unions to minimise the impact of the cuts on it.
- Indicating that Cabinet consideration of the Budget proposals that evening was the start, not the finish, of a process of consultation and outlining the elements of this.
- Concluding that the deputation had shown that many Council staff and local residents were aggrieved at the prospect of cuts in spending/ services. Gave an undertaking that the Mayor and he would engage with the rigorous process of public scrutiny of the Budget, would further examine the current proposals, and make every effort to protect frontline services.

the Mayor thanked the deputation for coming to address the Cabinet. The Mayor, in **Moving** the following motion for the consideration of members of the Cabinet, summarised that:

- He had noted the points made by the deputation.
- The delivery by the Council of all services needed by the local community, both universally and free of charge, was of course the aspiration of himself and his administration. However he also recognised that this must be balanced against cost and available resources, which resulted in difficult choices.
- The ideologically motivated spending cuts which the Coalition Government had forced on local government, had resulted in a situation where the Council and his Administration now found

themselves having to find an unprecedented £72 million of savings over the next 3 years. He and his Administration had already devoted a great deal of effort to examining the options to achieve this whilst protecting front line services as far as possible.

- With regard to homecare for the elderly and vulnerable it was important to note that Tower Hamlets was currently the only Council that currently provided this free of charge.

and it was: -

### **Resolved**

1. That the following deputation be formally received and noted: -

Mr J. McLoughlin (Branch Secretary UNISON Tower Hamlets) and Mr M. Clark (Supervisor LBTH Homecare Services), in respect of "General Fund Revenue Budget and Medium Term Financial Plan 2011/2012 to 2013/2014" (CAB 070/101);

2. That the points raised by the deputation be given consideration during the Cabinet deliberation of the item of business to which the deputation related; and
3. That any outstanding issues raised by the deputation be referred to the Corporate Director Resources for attention and response in writing within 28 days, in accordance with the Authority's Constitution (Part 4, Rules of Procedure, Section 4.1 Council Procedure Rules, Rule 20 Deputations).

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

### **5.1 Chair's advice of Key Issues or Questions in relation to Unrestricted Business to be considered**

The Chair informed members of the Cabinet that Councillor Jackson, Chair of the Overview and Scrutiny Committee, had **Tabled** a sheet of questions/ comments arising from the deliberations of the Overview and Scrutiny Committee, held on 11<sup>th</sup> January 2011, in respect of the unrestricted business contained in the agenda for consideration, a copy of which would be interleaved with the minutes.

Councillor Jackson, Chair of the Overview and Scrutiny Committee, addressed members of the Cabinet:

- Formally thanking Councillor Oliur Rahman, Deputy Mayor O. Ahmed and Councillor A. Choudhury, Cabinet Member for Resources, for attending the Overview and Scrutiny Committee to discuss/ answer questions on reports relating to their Cabinet Member portfolios.
- *Call In*



- Summarising the deliberations of the Committee regarding the “Call In” of the provisional decision of the Cabinet, taken on 1<sup>st</sup> December 2010, in respect of “Children, Schools and Families – Contract Awards” (CAB 061/101) for the Mayor and members of the Cabinet.
  - Outlining the main concerns raised:
    - ▽ That the contract was already awarded but ensuring the service from the new providers meets the needs of residents, in particular around a culturally appropriate service and families having a choice about their care workers.
    - ▽ That community organisations should be offered maximum support in any application process. Just because corporate applications matched the Council’s process better was not a good reason to award contracts to them, it was better if these were provided locally.
    - ▽ Need for robust contract monitoring arrangements, involving service users and their social workers, with appropriate action taken swiftly to mitigate failings.
  - Advising of assurances given by the Cabinet Member for Children’s Services noted by the Committee.
- Informing them, in conclusion, that the Overview and Scrutiny Committee had endorsed the decisions previously taken by Cabinet, in relation to this matter, but additionally would review the contract in six months time with the Cabinet Member for Children’s Services and Acting Corporate Director Children, Schools and Families in attendance.
- *Scrutiny Spotlight – Deputy Mayor*
  - Outlining the key issues on which this discussion focused:
    - Availability of recycling bags
    - Anti Social Behaviour and public realm issues on Registered Social Landlords and Tower Hamlets Homes estates.
    - Gritting
    - Support to drug users to break their addiction to counter balance the dealer a day initiative.
    - Proposed efficiency savings in the Deputy Mayor’s portfolio
    - Performance around litter, fly posting and graffiti
- *Budget Scrutiny*
  - Emphasising the importance of public/ community scrutiny of the Authority’s Budget and the role of Overview and Scrutiny Committee role in this regard.
  - Informing the Mayor/ Cabinet that the Committee would be discussing the Budget proposals with the Cabinet Member for Resources and Corporate Director Resources the following week. The session would focus on the following issues:
    - Savings proformas CSF 1 & 3 [agenda item 10.1 “General Fund Revenue Budget and Medium Term Financial Plan 2011/2012 to 2013/2014” - Appendix D2

- ∇ Redesign and integration of Early Years and Children's Centres Management
  - ∇ CSF 3Redesign support for young people age 13-19 to reflect need].
  - Capital Resources
  - Committed Growth
  - Equality Impact Assessments
  - In-house care services - savings proposals
- The Acting Corporate Director Children's, Schools and Families and Acting Corporate Director Adults Health and Wellbeing were requested to attend due to particular concerns regarding savings proposals relating to their directorates.
- *Key Issues or Questions (Pre Scrutiny)*  
Informing members of the Cabinet that she had nothing to add to the questions/ comments raised by the Overview and Scrutiny Committee, as set out in the tabled paper regarding: -
  - Item 6.1 Proposed Cycle Hire Scheme extension
  - Item 7.1 Update on Building Schools for the Future Programme including authorisation to enter into contracts; update on PFI and School Estate Strategy
  - Item 8.1 Borough-wide Drinking Control Zone
  - Item 10.1 General Fund Revenue Budget and Medium Term Financial Plan 2011/2012 to 2013/2014

The Mayor thanked Councillor Jackson for presenting the contribution of the Overview and Scrutiny Committee; and then **Moved** and it was: -

### **Resolved**

That the questions and comments of the Overview and Scrutiny Committee be noted, and that these be given consideration during the Cabinet deliberation of the items of business to which the questions/ comments related.

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

The Clerk advised that no provisional decisions made by the Cabinet, at its meeting held on 1<sup>st</sup> December 2010, had been referred back to Cabinet, by the Overview and Scrutiny Committee, for further consideration.

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

### **6.1 Proposed Cycle Hire Scheme extension (CAB 066/101)**

Councillor O. Ahmed, Deputy Mayor, at the request of the Chair, in introducing the report, summarised the key points contained therein, commenting as follows:

- The proposed borough-wide extension of the Cycle Hire Scheme before the Olympic Games was an exciting prospect. The proposed 150 hire stations would offer a major new travel option, and one of the most significant opportunities to change travel behaviour in the borough since the opening of the Docklands Light Railway.
- Officers and Members had worked hard to bring this scheme to Tower Hamlets in the face of great competition from other London boroughs. He was certain the financial contribution of £2 million in external funding secured by Tower Hamlets was influential in finalising Transport for London's decision. Cabinet approval for the contribution was now sought.
- The scheme could be operational by March 2012 and would open up a cheap, healthy and convenient way of getting around locally for many people who did not have the space to store bicycles at home. There were already over 4000 registered users of the scheme living in the borough, and the proposals had been very warmly received at the four local exhibitions held just before Christmas 2010.
- He commended the proposals to them, which he felt sure would be a big success.

Mr Halsey, Corporate Director Communities Localities and Culture, at the request of the Chair, addressed the matters raised by the Overview and Scrutiny Committee, held on 11<sup>th</sup> January 2011, in relation to the report; as set out in the tabled sheet of questions and comments presented by the Chair of the Overview and Scrutiny Committee earlier in the proceedings:

The Mayor **Moved** the recommendations as set out in the report; and it was:-

**Resolved:**

1. That the extended Cycle Hire scheme be welcomed as a significant improvement to local accessibility in a healthy, climate-friendly and relatively low-cost manner consistent with the existing Cycle Strategy;
2. That the scheme be approved in principle, subject to securing a financial contribution of £2m external funding (Transport for London, Section 106) to enable implementation of the scheme before the start of the Olympic Games as set out in paragraph 7.7 and Appendices 2 and 3 of the report (CAB 066/101); and
3. That the Corporate Director Communities Localities and Culture be authorised after consultation with the Assistant Chief Executive (Legal Services) to approve an agreement under section 101(5) of the Local Government Act 1972 for the joint exercise of functions under the Road Traffic Regulation Act 1984 to enable Transport for London to make the necessary traffic orders under Sections 6 and 45 and to exercise powers in Section 63 of that Act to install the Docking Station infrastructure.

**Reasons for Decisions**

These are detailed in paragraphs 3.1 to 3.3 of the report (CAB 066/101)

### **Alternative Options Considered**

These are detailed in paragraphs 4.1 to 4.3 of the report (CAB 066/101)

## **6.2 Commercial activities in parks and the 2012 Temporary Olympic Live Site (CAB 067/101) To Follow**

The Clerk informed the Mayor and members of the Cabinet that the report had been withdrawn by the Corporate Director Communities Localities and Culture.

## **7. A PROSPEROUS COMMUNITY**

### **7.1 Update on Building Schools for the Future Programme including authorisation to enter into contracts; update on PFI and School Estate Strategy (CAB 068/101)**

Ms Cattermole, Acting Corporate Director Children, Schools and Families, at the request of the Mayor, in introducing the report:

- Summarised the key points contained therein, highlighting in particular that:
  - The report provided an update on the Building Schools for the Future (BSF) Programme, which was good news for Tower Hamlets. The recent opening of the new St Pauls Way School, a stunning facility delivered through BSF, was a triumph for Tower Hamlets.
  - Approval of the Mayor and Cabinet was being sought to progress the next batch of BSF Schools:

These schools comprised: Langdon Park, Stepney Green, Phoenix and Central Foundation Girls School.

Formal Partnership for Schools (PfS) approval was required, but expected shortly after submission of final business cases for each scheme in January 2011. However some further legal work was required at this stage of the BSF contract [following submission by the Local Enabling Partner (LEP) of Stage 2 New project Proposals], in relation to aspects and timescales for delivery.

Tower Hamlets had come a long way to reach this stage of the BSF process and other authorities were having difficulty reaching the point it had reached in terms of cost effectiveness and value for money.

This element of the BSF Programme represented total investment in the School Estate of approximately £60 million.

- Confirmation was being sought from the Mayor and Cabinet of proposed sites for secondary provision to ensure sufficient school places were provided by the Authority. Proposals for additional primary provision would follow in due course.

Looking ahead to 2014 and beyond there was a clear need for additional secondary school places [equivalent to 8 forms of entry by 2014]. Provision of sufficient places was a statutory responsibility placed on the Authority.

It was recommended that proposals be taken forward for the building of a new secondary school on the Bow Lock site which would include the relocation of Bow Boys School. The site was however split with a road running through the middle, and this would need to be addressed. Bow Boys School did not currently meet the standards required of a secondary school, and the proposed relocation to Bow Lock would result in total renewal/refurbishment of the school and provide a learning environment that all students should have and which the borough could be proud of.

This scheme would allow the creation of a secondary mixed school, with an additional 4 forms of entry equating to 260 pupils.

A feasibility study, to consider the capacity and suitability of the Bow Lock site, and infrastructure works required, had been undertaken. However, Partnership for Schools (PfS) approval would be required for the proposed sites for secondary provision.

It was also recommended that proposals be taken forward for the relocation of Beatrice Tate School, a Special Educational Needs (SEN) provision, on the Southern Grove site. The current site was severely constrained and therefore not fit for purpose. The Southern Grove Site was of sufficient size to allow for housing development opportunities too.

- Addressed the matters raised by the Overview and Scrutiny Committee, held on 11<sup>th</sup> January 2011, in relation to the report; as set out in the tabled sheet of questions and comments presented by the Chair of the Overview and Scrutiny Committee earlier in the proceedings:

A discussion followed, during which the proposals in the report were broadly welcomed, and which focused on the following points:-

- The Mayor
  - Formally thanked Ms Cattermole, Acting Corporate Director Children, Schools and Families, and her Officer team together with the governing body/ management of St Pauls Way School for their contribution to the development/ achievement of the new school. He had visited it before Christmas and the contrast

with the old school, which he had seen as a child, was amazing to see. He considered it was a fantastic facility that demonstrated the commitment of the Authority and his Administration to the future of children in the borough, and would provide opportunities to improve themselves for many years to come.

- Expressed his full support for the development of a new secondary school on the Bow Lock site. As a former student of the Bow Boys School he understood how constrained it was in terms of open space and facilities, and the need for much better facilities. Also expressed concern that the proposed new site currently would require young children to cross a busy road; and therefore requested that Officers mitigate the safety issues associated with the road junction near the Bromley by Bow underground station and the nearby underpass, within the final proposal. Considered that the need for a better school was pressing and it was essential that efforts be focused on the acceleration of the proposals so that the new school was operational by 2014. *Ms Cattermole, Acting Corporate Director Children, Schools and Families, gave an assurance that Officers had devoted a great deal of time and effort to addressing the student access and egress issues of a school at Bow Lock and a full report and travel plan would be reported to Members in due course.*
- Expressed his full support for the relocation of Beatrice Tate School on the Southern Grove site, commenting that it was vital that students at this SEN school were provided with an appropriate environment for their learning needs.
- Accordingly proposed the following additional recommendation, to those set out in the report, for the consideration of members of the Cabinet:

“That Officers be instructed to:

Accelerate implementation of the proposal for relocation of Bow Boys School/ building of a new secondary school on the Bow Lock Site in order to ensure the school is operational by 2014.

Accelerate implementation of the proposal for relocation and spatial expansion of Beatrice Tate School on the Southern Grove Site in order to ensure the school is operational by 2014.

- Clarification/ assurance was sought and given as to whether the proposals for relocation of Beatrice Tate School would need one or two sites; also given the proposal of a mixed use site at Southern Grove what consideration had been given to safeguards for both residents and vulnerable children who would be sharing their physical environment.
- Clarification/ assurance was sought and given as to the impact of new governance arrangements at St Paul's Way School on access to the community facility included in the development.

The Mayor **Moved** that the recommendations as set out in the report (taking account of the additional recommendation he had proposed during the deliberation of this item), be agreed; and it was:-

**Resolved:**

1. That the Corporate Director of Development & Renewal be authorised after consultation with the Assistant Chief Executive (Legal Services) to accept the final tenders, together with any documents incidental to the Building Schools for the Future schemes, for Langdon Park, Stepney Green Maths and Computing College, Central Foundation Girls School and Phoenix School, provided that the schemes are procured within the funding envelope;
2. That the Corporate Director of Development & Renewal be authorised after consultation with the Assistant Chief Executive (Legal Services) to negotiate and conclude with Tower Hamlets Schools Limited (THSL) and the TheLEP all necessary certificates/consents/documents/contracts ancillary or incidental to the above schemes, subject to final approval of such certificates/consents/documents/contracts by the Assistant Chief Executive (Legal Services);
3. That the Head of Legal Services (Environment) be authorised to enter into all necessary documents to implement the resolutions 1. and 2. above;
4. That the allocation of the following sites, for education use and/or mixed use to include housing, be authorised:  
Bow Lock Site  
Southern Grove;
5. That subject to resolution 4. above the Corporate Director Development and Renewal consider the options for alternative use of the Bow Boys' School existing site, including the use as a primary school provision;
6. That £380,000 be set aside from the earmarked reserve (previously set aside for a contribution to the Olympic Aquatics Centre) to write off the costs of works on the Bow Locks Site; and
7. That the Corporate Director Development and Renewal and Acting Corporate Director Children, Schools and Families be instructed to:
  - (a) Accelerate implementation of the proposal for relocation of Bow Boys School/ building of a new secondary school on the Bow Lock Site in order to ensure the school is operational by 2014.
  - (b) Accelerate implementation of the proposal for relocation and spatial expansion of Beatrice Tate School on the Southern Grove Site in order to ensure the school is operational by 2014.

**Reasons for Decisions**

These are detailed in paragraphs 3.1 to 3.9 of the report (CAB 068/101)

**Alternative Options Considered**

These are detailed in paragraphs 4.1 to 4.6 of the report (CAB 068/101)

**8. A SAFE AND SUPPORTIVE COMMUNITY****8.1 Borough-wide Drinking Control Zone (CAB 069/101)**

Councillor O. Ahmed, Deputy Mayor, at the request of the Chair, in introducing the report, summarised the key points contained therein, commenting as follows:

- A borough- wide Drinking Control Zone (DCZ) was not a prohibition, but rather a tool to control and manage anti-social behaviour associated with alcohol in public places. He gave an assurance that it would be used with discretion, and in a sympathetic way, providing support as well as a robust response for the benefit of the community.
- Although there were existing DCZs in Bethnal Green and Whitechapel (since 2006), and Shoreditch (since 2010), people within these zones moved but continued to cause alcohol related problems outside of the designated zone, known as dispersal.
- At least 13 other London boroughs had borough-wide DCZs and all the boroughs neighbouring Tower Hamlets had one or a DCZ covering the entire perimeter of their border with Tower Hamlets (City of London). This created an “island effect” in Tower Hamlets.
- A DCZ was a legal power that would enable Police and Tower Hamlets Enforcement Officers (THEOs) to confiscate alcohol. The powers were discretionary. Help was available for drinkers with dependency problems. The Joint Tasking process would ensure the DCZ was managed effectively, proportionately, with discretion and guidance. Existing multi-agency care planning arrangements would provide access to treatment and support for drinkers.
- A borough-wide DCZ would:
  - Eliminate the problem of dispersal and there was much evidence of success elsewhere and there was already support for this from a range of partners and residents.
  - Enable Tower Hamlets to deal with issues relating to the Night Time Economy, to prevent escalation of alcohol related problems and prepare for the effects of the Olympics.
  - Enable us to deal with the alcohol profile in Tower Hamlets – occurring in different and changing places, times, and ways.
- Should Cabinet agree the proposal, consultation with residents, partners, and businesses would take place in February and March 2011, with the outcome reported back to Cabinet with onward



recommendation to full Council for a final decision on implementation. If agreed, the Secretary of State would be notified, legal notices published and signs erected as appropriate.

Mr Bamber, Service Head Community Safety - Communities Localities and Culture, at the request of the Chair, addressed the matters raised by the Overview and Scrutiny Committee, held on 11<sup>th</sup> January 2011, in relation to the report; as set out in the tabled sheet of questions and comments presented by the Chair of the Overview and Scrutiny Committee earlier in the proceedings:

A short discussion followed during which clarification/ assurance was sought and given, with reference to paragraph 5.7 of the report, as to the effectiveness and numbers of penalty charge notices issued [for failing to surrender alcohol] in other boroughs where the borough-wide DCZ had been successful.

The Mayor **Moved** the recommendations as set out in the report; and it was:-

**Resolved:**

1. That consultation on the proposed implementation of a borough-wide Drinking Control Zone (DCZ) proceed; and
2. That it be noted that the Drinking Control Zone (DCZ) will be developed to provide access to advice and support for problem drinkers.

**Reasons for Decisions**

These are detailed in paragraph 3.1 of the report (CAB 069/101)

**Alternative Options Considered**

These are detailed in paragraph 4.1 of the report (CAB 069/101)

**9. A HEALTHY COMMUNITY**

The Clerk advised that there were no business to be considered under this section of the agenda.

**10. ONE TOWER HAMLETS**

**10.1 General Fund Revenue Budget and Medium Term Financial Plan 2011/2012 to 2013/2014 (CAB 070/101)**

Please note that the order of business was varied by resolution of the Mayor and Cabinet earlier in the proceedings in order to allow this item to be considered following Agenda item 5.1 "Chair's advice of Key Issues or

Questions in relation to Unrestricted Business to be considered”, however for ease of reference the deliberations of the Mayor and Cabinet, and subsequent decisions taken, are set out below in the order detailed in the agenda.

Councillor Choudhury, Cabinet Member for Resources, at the request of the Chair, in introducing the report, summarised the key points contained therein, commenting as follows:-

- The Mayor and his Administration were extremely unhappy that cuts in funding, of an unprecedented scale, forced upon them by the Coalition Government, now left them with the very difficult task of having to find £72 million of savings over the next 3 years. The Mayor had expressed his personal anger over the cuts and the Cabinet shared that anger, as did the residents of Tower Hamlets. However, how far that could be taken forward with a view to achieving a positive outcome was a question of judgement; the scope for this was realistically limited.
- It was acknowledged that local government was the more affected than other parts of the public sector by the Government cuts. The key issue being the front loading of the funding settlement in 2011/12 and 12/13 which resulted in savings of approximately £30 million required in 2011/12. The draft Budget proposals before the Mayor and Cabinet for consideration amounted to £55 million in efficiency savings; and this would deliver a balanced budget in 2011/12 and make a significant contribution to years two and three. The position in future years was far from clear and could be worse than currently expected as further funding cuts were possible.
- The Authority’s Budget setting process had been underway for some time and the Mayor and his Administration had inherited a robust efficiency framework developed by the former Labour Administration containing key elements:
  - Reducing our management overheads and duplication.
  - Reducing office accommodation needs to achieve savings (the decant from Anchorage House in 2013 alone was estimated to save £7 million).
  - Improved procurement of services, squeezing more value from suppliers.
  - Maximising options to bring money in such as better asset management (disposing of surplus property and land) and ensuring that those who owed the Council money paid their share (income optimisation).
  - Working with residents and others to maximise the use of new technologies to provide more effective and efficient services
- The savings proposals within the Budget were detailed in individual preformed, however he gave an assurance as follows:
  - There would be no change to the level of social care provision.
  - Every effort would be made to ensure that young people continued to receive an excellent service.
  - The Mayor/ Administration were working hard to minimise any impact on front line services which affected the daily lives of residents.
- Outlining the next steps for scrutiny of the Budget proposals:

- An informal meeting with Overview and Scrutiny colleagues where any questions about the Budget proposals could be raised with him.
- All political groups would be given an opportunity to discuss the Budget proposals with him.
- A Budget congress meeting with the Council's partners later in January.
- The Budget proposals would be formally scrutinised by the Overview and Scrutiny Committee on 8 February and be submitted to Cabinet on 9 February for consideration and onward recommendation to the Budget setting full Council meeting on 23 February.

Mr Finch, Service Head Corporate Finance – Resources, at the request of the Mayor, commented on several technical aspects of the report as follows:

- Informing the Mayor/ Cabinet that the Authority faced unprecedented cuts in Government grant and the report set out detailed advice from the Corporate Director Resources as to the financial actions required for the setting of a balanced Budget in 2011/12. The current situation might persist for several years, so it was important for the Authority to establish a strong position from the outset; and the sections of the report setting out the position with regard to Government grant funding, savings and reserves were important to understanding this.
- Advising that a three stage equality assessment approach underpinned the Budget process:
  - Screening all saving proposals to identify if a full Equality Impact Assessment (EQIA) was required.
  - Completion of required EQIAs and publication prior to the Budget Council on 23 February 2011.
  - Establishing a "Fairness Commission" to consider the ongoing impact of the budget proposals during implementation.
- Advising that the Value Added Tax increase from the start of January 2011 had a zero impact on the Authority as it was reclaimed by HMRC. Also that there was financial provision within the Budget for inflation, through a contingency of approximately £4.5 million, but any increase beyond that would need to be found from within directorate budgets.
- Outlining pressures arising from committed growth including: demographic growth in older people with dementia, increased numbers of people with learning disabilities and the London-wide scheme of freedom passes/ concessionary fares where costs would increase in 2011/12. Officers recommended a contingency of £5.5 million be set aside to cover these and other risks on the basis that the risks were managed down during the financial year.
- Highlighting an increased future commitment relating to the Authority's Pension Scheme for a variety of reasons, as set out in paragraph 10.5 of the report.
- Highlighting that the tight funding position of the Authority's revenue budgets meant scope to fund capital investment from revenue budgets/

reserves was very limited. There was a separate report on the agenda relating to the Capital Programme.

- Addressed the matters raised by the Overview and Scrutiny Committee, held on 11<sup>th</sup> January 2011, in relation to the report; as set out in the tabled sheet of questions and comments presented by the Chair of the Overview and Scrutiny Committee earlier in the proceedings:

A lengthy discussion followed which focused on the following points:-

- Councillor Choudhury, Cabinet Member for Resources, and Mr Finch, Service Head Corporate Finance – Resources, were thanked for their presentation.
- The Mayor considered that it was important that Equality Impact Assessments (EQIAs) relating to the Budget proposals should be made available much sooner than Officers currently intended, and instructed the Corporate Director Resources to make every effort to publish/ circulate these by the beginning of February. Mr Finch, Service Head Corporate Finance, gave an undertaking that Officers would endeavour to achieve this.
- A Labour Group Member, speaking with the consent of the Mayor and Cabinet:
  - Commented that:  
The Con/ Lib Dem Government were driving these cuts in funding for local government and the scale and pace of savings would have been different under a Labour Government.  
Many of proposals in the Mayor's draft Budget were likely to command cross party support: the way services were procured, reducing use of agency staff and reducing layers of management, although the latter would be painful for those affected.
  - Sought and was given clarification/ assurance in relation to the following points:  
Supported Housing – how the Council would ensure, when moving vulnerable people from residential care to supported housing, that those affected would be properly supported.  
Support for young people - what would "targeting the Connexions provision more effectively" mean in practice?  
Early Years and Children's Centres – it was proposed that savings would come in part from merging managements but what did the £1.3 million of non-staff savings relate to, and what are the implications of ending external contracts for children's centres in March 2011?  
It was proposed that £3 million be put into reserves - given the current environment of financial constraint, service cuts and job cuts there was a need to clearly set out the case for this.  
EQIAs on all Budget savings proposals were needed as soon as possible in order to make an informed assessment as to what affect the proposals would have

on service provision. The provision of this information at, or just before, the Budget setting Council meeting would be too late to facilitate this.

- A Labour Group Member, speaking with the consent of the Mayor and Cabinet, sought and was given clarification/ assurance in relation to the following points:
  - The considerable level of savings proposed were predicated on income generation forecasts relating to asset disposal and other actions. Were the forecasting not to prove robust, given cases in the recent past where this approach had not achieved the intended outcome, what contingency was being made for this.
  - In relation to a reference in the Budget report to the use of parks/ Victoria Park to increase income generation [Appendix D2 - Savings proforma SSP/3 - Events in Parks (overall reduction in summer usage of Victoria Park)], whether the Budget proposals took account of a motion agreed by the full Council relating to the use of Victoria Park.
- Councillor Choudhury, Cabinet Member for Resources, concluded the discussion by commenting that it was clear that the Council valued its staff very highly, and their livelihoods were at stake in the Budget setting process. Both he and the Mayor had endeavoured to reassure them giving a commitment that they would defend front line services and minimise redundancies. However, in this context he considered it would be appropriate to formalise this commitment further. Accordingly Councillor Choudhury proposed the following amendment to recommendation 2.9 set out in the report for the consideration of the Mayor and members of the Cabinet:  
 “That recommendation 2.9 of the report be agreed subject to the following caveat: That the Budget process and proposals are tested at every stage against the key principles of the Mayor and his Administration; including: protection of front line services and minimisation of staff redundancy.”

The Mayor **Moved** the recommendations as set out in the report (taking account of the amendment proposed by Councillor Choudhury); and it was:-

**Resolved:**

***Grant funding***

1. That the grant funding available for 2011/12 and the indications and forecasts for future years, as set out in section 8 of the report (CAB 070/101), be noted;

***Base Budget 2011/12***

2. That the Base Budget for 2011/12 be confirmed as £310.069m, as set out at 9.1 and detailed at **Appendix A** of the report (CAB 070/101);

***Growth***

3. That the risks identified from potential committed growth arising in 2011/12, set out in Section 10 and in **Appendix B** of the report (CAB 070/101), be noted;

#### ***Medium Term Financial Plan 2011/12 - 2013/14***

4. That the Medium Term Financial Plan set out at **Appendix C** of the report (CAB 070/101), and the savings target arising, be noted;

#### ***Savings***

5. That the savings items proposed to be included in budgets for 2011/12 and and later years, as set out in Section 13 and in **Appendix D1 and D2** of the report (CAB 070/101), be agreed;

#### ***Financial Risks: Reserves & Contingencies***

6. That the advice on strategic budget risks, as set out in section 15 and **Appendix E** of the report (CAB 070/101), be noted; in particular the significant increase in risk that the Council is exposed to as a result of the financial settlement, and the proposed response of the Council to managing this risk;

#### ***Balances/ Reserves***

7. That the review of reserves, as set out in section 16 and further detailed in **Appendices F and G** of the report (CAB 070/101), be noted;
8. That officers' advice on the strategy for general reserves be noted; also noting that this will be further considered by the Cabinet in February 2011;

#### ***General Fund Revenue Budget 2011/12***

9. That, subject to the caveat at (a) below, an initial budget proposal and Council Tax for 2011/12 [as set out in the report] be agreed; and that the proposal be referred to Overview and Scrutiny Committee for consultation in accordance with the Budget and Policy Framework Procedure Rules [contained in the Authority's Constitution], as set out in Section 6 of the report (CAB 070/101);
  - (a) That the Budget process and proposals are tested at every stage against the key principles of the Mayor and his Administration; including: protection of front line services and minimisation of staff redundancy.
10. That it be noted that a further report will be submitted to the Cabinet at its next meeting [09 February 2011]; to report the results of consultations, and inviting the Cabinet to recommend a Budget Requirement and Council Tax for 2011/12 to Council; and

#### ***London Boroughs Grants Scheme***

11. That funding of £0.400m to the London Grants programme in 2011/12 be agreed; a reduction of £0.360m from the Council's current contribution; and it be noted that options for the use of the £0.360m are under consideration.

### **Reasons for Decisions**

These are detailed in paragraphs 3.1 to 3.2 of the report (CAB 070/101)

### **Alternative Options Considered**

These are detailed in paragraph 4.1 of the report (CAB 070/101)

## **10.2 Calculation of Council Tax Base 2011/12 (CAB 071/101)**

Mr Finch, Service Head Corporate Finance – Resources, at the request of the Mayor, in introducing the report, summarised the key points contained therein, highlighting in particular that:

- This was a technical matter, but in order for the Authority to set the Council Tax each year there was a legal requirement that the Cabinet formally agree the estimated Council Tax Base for the next year [the number of properties in the borough that would be subject to a Council Tax charge]. This had to be done at the January Cabinet meeting so that the Greater London Authority could be informed of the figure for its own budget planning purposes.

The Mayor **Moved** the recommendations as set out in the report; and it was:-

### **Resolved:**

That in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 1992, it be approved that the amount calculated by the London Borough of Tower Hamlets as its Council Tax Base for the year 2011/12 shall be 88,917.

### **Reasons for Decisions**

These are detailed in paragraph 3.1 of the report (CAB 071/101)

### **Alternative Options Considered**

These are detailed in paragraph 4.1 of the report (CAB 071/101)

## **10.3 2011/12 - 2013/14 Capital Programme Report (CAB 072/101)**

Councillor Choudhury, Cabinet Member for Resources, at the request of the Chair, in introducing the report, summarised the key points contained therein, commenting as follows:-

- The Authority's Capital Budget set out the investment the Mayor and his administration would be making in buildings and infrastructure over the next three years. There was a clear need for major investment in the Council's housing stock, the school estate, roads and community buildings. This need was accentuated because the population in Tower Hamlets was growing at double the national rate.
- Most of the Authority's capital programme was funded by the Government, and this year the Coalition Government had announced that capital grants would reduce by 45% over the next three years. The Authority's capacity for local funding of capital projects was dependent upon capital receipts, which made it very important to review its property portfolio and identify land and buildings which could be more valuable to the community if they were sold.
- Nevertheless, the Authority's capital programme promised £539 million in investment over the next three years, the bulk of it in schools and housing.
- A small surplus would be left, some of it from re-prioritising funding previously set aside for the Olympic Aquatics Centre, and the Mayor would be considering how to utilise this.

The Mayor **Moved** the recommendations as set out in the report; and it was:-

**Resolved:**

1. That the allocation of Government funding to those elements of the Mainstream Capital Programme that have already been agreed by Cabinet, attached at **Appendix 1** to the report (CAB 072/101), be approved; and it be noted that additions to this programme will be subject to cabinet approval in due course;
2. That the mainstream and locally generated resources currently available for new schemes be noted; and
3. That the allocation of resources to locally funded projects already agreed by Cabinet, as set out in **Appendix 2** of the report (CAB 072/101), be approved; it be agreed that the proposals in respect of Priority Service Remediation Capacity/ Backup Expansion, and Mandatory Disabled Facilities Grants, as set out at paragraph 9.3 of the report, be added [to the Local Priorities Capital Programme]; and it also be agreed that these proposals be referred to the Overview and Scrutiny Committee for consultation in accordance with the Budget and Policy Framework Procedure Rules [contained in the Authority's Constitution].



**Reasons for Decisions**

These are detailed in paragraph 3.1 of the report (CAB 072/101)

**Alternative Options Considered**

These are detailed in paragraph 4.1 of the report (CAB 072/101)

**10.4 Housing Revenue Account - First Budget and Rent Setting Report (CAB 073/101)**

Councillor Rabina Khan, Cabinet Member for Housing, at the request of the Chair, in introducing the report, summarised the key points contained therein, commenting as follows:-

- Formally thanking Councillor Francis, Lead Member Housing and Development in the former administration, for his hard work in relation to the housing portfolio.
- The report assessed the implications for Tower Hamlets of the Government's draft Housing Subsidy Determination for 2011/12 and recommended an increase in the level of Council tenant rents which was required in order to comply with the Government's rent restructuring policy.
- The Authority was required by law to have a Housing Revenue Account (HRA) that remained in balance. The HRA was by law a ring-fenced account, the costs and income of which related to the Council's role as a social housing landlord, with the major source of income being tenant rent. The Authority must agree the level of tenant rent at this point in order to comply with the legal requirement to give adequate notice of the change to tenants to; and also to allow sufficient time to amend its own rent accounting systems.
- The Authority was also reliant on the Government's determination of Housing Subsidy entitlement for Tower Hamlets before it could assess the impact on rents. It had been a particularly tough draft settlement and the Council would lose over £3 million of housing subsidy used to support the management and maintenance of its housing stock. One reason for this was an assumption in Government calculation of the entitlement of a "guideline" rent increase of almost 7%. This resulted in the HRA being required to identify savings in excess of £2 million in the cost of services provided.
- Concluding that the actual rent increase being recommended for Cabinet agreement was 6.9%, resulting in an average weekly rent of £5.90, which was important in the current economic and financial climate facing tenants.

Mr Dalvi, Corporate Director Development and Renewal, advised the Mayor and members of the Cabinet that the Government had assumed a rent increase of 7%, and although the Authority was free not to implement this; for every 1% not charged, the HRA would lose £100,000 of income which could jeopardise its viability in future years, particularly in the context of efficiency

savings being required from the ALMO [Arms Length Management Organisation also known as Tower Hamlets Homes]. The rent increase was effectively a directive of Government.

A short discussion followed which focused on the following points:-

- Commented that this was a further example of the dirty tricks being played by the Con/ Dem Government on those people that could least afford it.
- Commented that it was important for all Tower Hamlets councillors to work with the Mayor and his administration against such a rent increase for residents at such a difficult time, both now and in future years.
- Commented that were the Coalition Government to direct Councils to increase rent by a similar level next year, it would leave Tower Hamlets in a difficult financial position, clarification/ assurance was therefore sought and given as to when this information would be known.

The Mayor **Moved** the recommendations as set out in the report; and it was:-

**Resolved:**

1. That officers' initial assessment of the Government's Draft Housing Revenue Account, as set out in Section 8 of the report (CAB 073/101), and also the Draft Housing Revenue Account Subsidy Determinations 2011/12, be noted;
2. That, in order to comply with the Government's rent restructuring policy requirements, it be agreed that the average weekly rent for tenancy or occupation of Council dwellings would increase by an indicative £5.90 and the average weekly tenanted service charge would increase by £0.30 from the first rent week in April 2011, subject to that increase not adversely impacting upon the Authority's subsidy entitlement as a consequence of information still to be received relating to the Caps and Limits regulations, as set out in Section 8 of the report (CAB 073/101);
3. That the Corporate Director of Development and Renewal be authorised, following consultation with the Mayor, to vary the rent increase, should that be necessary after receipt of the final Housing Revenue Account subsidy determination for 2011/12, as set out at paragraph 10.2 of the report (CAB 073/101); and
4. That it be noted the Housing Revenue Account budget would be presented to Cabinet for approval in February 2011, and that the associated Cabinet report would provide an update on the 2011/12 rent level position.

**Reasons for Decisions**

These are detailed in paragraph 3.1 of the report (CAB 073/101)

### **Alternative Options Considered**

These are detailed in paragraph 4.1 of the report (CAB 073/101)

### **10.5 Contracts Forward Plan (CAB 074/101)**

Mr Finch, Service Head Corporate Finance – Resources, at the request of the Mayor, in introducing the report, summarised the key points contained therein, highlighting in particular:

- That the Authority's procurement procedures required such a report to Cabinet on a quarterly basis. The report detailed procurement contracts of large value, in revenue and capital terms, which were due to be awarded by the Authority over the next 12 months.

A brief discussion followed which focused on the following points:-

- Councillor Choudhury, Cabinet Member for Resources, commented that the recommendation contained in the report requested that the Cabinet specifically identify contracts where it felt it appropriate that a further report required its consideration prior to contract award by Chief Officers under delegated authority. Accordingly Councillor Choudhury proposed the following amendment to the recommendation set out in the report for the consideration of the Mayor and members of the Cabinet:

"That a specific report relating to contracting strategy/ contract award be submitted for Cabinet consideration in respect of the following contracts, prior to contract award by an appropriate Chief Officer for the service area:-

- CE3874 "Translation and Interpretation Services"
- AHWB3877 "Care Providers for Extra Care Sheltered Housing Schemes (Shipton St and St Thomas' "

The Mayor **Moved** both recommendations set out in the report (taking account of the amendment proposed by Councillor Choudhury) with the following further amendment in relation to recommendation 2.1, for the consideration of members of the Cabinet: "That the contract summary attached at Appendix 1 to the report be noted"; and it was: -

#### **Resolved:**

1. That the contract summary at Appendix 1 to the report (CAB 074/101) be noted;
2. It be agreed that a specific report, relating to contracting strategy/ contract award be submitted for Cabinet consideration in respect of the following contracts, prior to contract award by an appropriate Chief Officer for the service area:
  - CE3874 "Translation and Interpretation Services"
  - AHWB3877 "Care Providers for Extra Care Sheltered Housing Schemes (Shipton St and St Thomas' "

3. That the relevant Corporate Director who holds the budget for the service area be authorised to award the contract or contracts listed in Appendix 1 to the report (CAB 074/101) where Cabinet do not require a further report (see resolution 2 above), and after consultation with the Assistant Chief Executive (Legal Services), to arrange for the execution of all necessary contract documents.

### **Reasons for Decisions**

These are detailed in paragraphs 3.1 to 3.2 of the report (CAB 074/101)

### **Alternative Options Considered**

These are detailed in paragraph 4.1 of the report (CAB 074/101)

## **10.6 Proposed Disposals of Surplus Properties (CAB 075/101)**

Mr Algar, Service Head Asset Management, at the request of the Chair, in introducing the report, summarised the key points contained therein, highlighting in particular:

- Cabinet were asked to approve the sale of a number of vacant or potentially vacant buildings: Cheviot House, Limehouse Library, 13 Pierhead –Wapping and the “LEB” building.
- Cheviot House would not be sold until the One Stop Shop had been relocated to ensure this service was maintained.
- Limehouse Library and 13 Pierhead were both listed buildings in need of repair, and the sales would ensure that these important historic buildings were restored and brought back into use.
- These and other sales were expected to achieve revenue savings of around £400,000 through improved asset management. Additionally these sales were expected to yield approximately £11 million which could be reinvested in new assets congruent with the Mayor’s priorities.
- Sale and development of these properties would provide much needed homes and employment for the borough.
- Officers were also urgently exploring other similar opportunities which could yield further revenue savings and provide opportunities to raise capital receipts.

Councillor Choudhury, Cabinet Member for Resources, considered it appropriate that arrangements for the sale of Woodstock Terrace and 2 Jubilee Street be progressed expeditiously, and that Cheviot House be sold in 2011. Officers should therefore be instructed to develop proposals to achieve this, and to report back prior to the end of the current financial year. Accordingly he proposed, for the consideration of the Mayor and members of the Cabinet, that the recommendations contained in the report be agreed subject to this amendment/ inclusion of an additional recommendation.

The Mayor concurred with Councillor Choudhury, commenting that Officers were currently indicating that Cheviot House would not be available for sale until 2012/13, and he too was keen that proposals be worked up to accelerate this sale, even if subject to completion later, and that these proposals be brought forward in the next few weeks and months. The Mayor subsequently **Moved** the recommendations as set out in the report (taking account of the amendment proposed by Councillor Choudhury); and it was:-

**Resolved:**

1. That, subject to the caveat at (a) (i) below, the following properties be declared surplus to [the Authority's] operational requirements and the Corporate Director, Development and Renewal be authorised to arrange their marketing and sale: -
  - (a) Cheviot House, 227 - 233 Commercial Road, London, E1 2BU
    - (i) That the Corporate Director Development and Renewal be instructed to develop proposals for the sale of Cheviot House in 2011; and to report back as soon as possible.
  - (b) Limehouse Library, 638 Commercial Road, London, E14 7HS
  - (c) 225-279 Cambridge Heath Road (the "LEB" building)
  - (d) 13 Pierhead, 69 Wapping High St, London, E1W 2YF
2. That the Corporate Director Development and Renewal be authorised, after consultation with the Assistant Chief Executive (Legal Services), to execute the necessary documents to implement resolution 1. above;
3. That the Corporate Director Development and Renewal be instructed to explore opportunities for additional land/buildings that could be considered surplus [to the Authority's operational requirements] and to report back to a future Cabinet meeting; and
4. That the Corporate Director Development and Renewal be instructed to develop proposals for accelerated sale of the properties at (a) and (b) below, and to report back before the end of the current financial year: -
  - (a) Woodstock Terrace
  - (b) Jubilee Street

**Reasons for Decisions**

These are detailed in paragraph 3.1 of the report (CAB 075/101)

**Alternative Options Considered**

These are detailed in paragraph 4.1 of the report (CAB 075/101)

**10.7 Outline Strategic Plan for Year 1 of the period 2011/12 to 2013/14 (CAB 076/101)**

Councillor Choudhury, Cabinet Member for Resources, at the request of the Chair, in introducing the report, summarised the key points contained therein, commenting as follows:-

- The Strategic Plan was the Authority's core planning document, setting out its vision for Tower Hamlets and its contribution to delivering the Community Plan.
- The development of this year's Outline Strategic Plan Year 1 (2011/12 – 2013/14) had been:-
- Closely linked with the Authority's Budget process to ensure it was informed by the Authority's strategic priorities.
- Aligned with the refresh of the Community Plan, being undertaken by the Tower Hamlets Partnership, which included residents, local community and voluntary organisations, businesses the Council and public sector partners. As a consequence it reflected emerging Community Plan priorities.
- The outline plan also reflected the Authority's response to the Government's Spending Review, the Mayor's priorities and the Council's transformation programme.

Mr Finch, Service Head Corporate Finance – Resources, at the request of the Mayor, outlined the next steps in the process of developing the Strategic Plan, should Cabinet approve the Outline Plan and authorise the Chief Executive to make any appropriate amendments to it:-

- Development of a one-year action plan for Cabinet consideration in April 2011 and setting of targets for the agreed key performance measures during this period.
- The refreshed Strategic Plan would be kept under review to accommodate anticipated national legislative and local changes.

Mr Collins, Chief Executive, commented that:

- Despite the current cuts in funding by Government, the Council would continue to provide services important to the daily lives of Tower Hamlets residents, a point highlighted in the matters raised by the deputation earlier in the proceedings, and so it was even more important to have the sharp focus on priorities provided by the Strategic Plan.
- Above the Strategic Plan sat the Community plan, developed to address emerging challenges facing the borough as well as persisting issues affecting local people, and consequently setting over-arching priorities. The Strategic Plan set out the Council's vision of how it would contribute to these overarching priorities; and this would inform a one year action plan which would be the driver for the Council's day to day activities.

The Mayor **Moved** the recommendations as set out in the report; and it was:-

**Resolved:**

1. That the Council's Outline Strategic Plan (Year1) be agreed; and
2. That the Chief Executive be authorised to make appropriate and necessary amendments to the Outline Strategic Plan (Year 1).

### **Reasons for Decisions**

These are detailed in paragraphs 3.1 to 3.4 of the report (CAB 076/101)

### **Alternative Options Considered**

These are detailed in paragraphs 4.1 to 4.2 of the report (CAB 076/101)

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

The Clerk advised that there were no business to be considered under this section of the agenda.

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

### **12.1 Annual Performance Assessment of Social Care Services for Adults 2010 (CAB 077/101)**

Ms Taylor, Acting Corporate Adults Health and Wellbeing, at the request of the Mayor, in introducing the report, summarised the key points contained therein, highlighting in particular that:

- The Care Quality Commission performance assessment of adult social care services in Tower Hamlets was reported annually to Cabinet in compliance with regulatory requirements.
- The Authority had retained its "overall performing excellently rating" for a seventh year in succession, with the delivery of 6 out of the 7 outcomes assessed being judged to be excellent and the 7<sup>th</sup> outcome judged as being delivered well. This placed Tower Hamlets in the top 5% of Councils nationally.
- The staff who had contributed to this achievement were to be congratulated.

The Mayor, in **Moving** the recommendation as set out in the report, formally thanked Ms Taylor, Acting Corporate Adults Health and Wellbeing, and her officer team for working so hard and delivering such excellent outcomes; and it was: -

### **Resolved:**

That the contents of the report (CAB 077/101) and attached appendix [Care Quality Commission - Assessment of Performance Report 2009/10], be noted.

**Reasons for Decisions**

These are detailed in paragraph 3.1 of the report (CAB 077/101)

**Alternative Options Considered**

These are detailed in paragraph 4.1 of the report (CAB 077/101)

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

The **Mayor** moved and it was:-

**Resolved:**

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

- (a) As it was likely, in view of the nature of the business to be transacted in Section Two of the agenda, that if members of the public were present during consideration of this business there would be disclosure of exempt information.
  - Exempt information is defined in section 100I and, by reference, Schedule 12A of the Local Government Act 1972 (“the 1972 Act”). To be exempt, information must fall within one of the categories listed in paragraphs 1 to 7 of Schedule 12A, must not fall within one of the excluded categories in paragraphs 8 and 9 and the public interest in maintaining the exemption must outweigh the public interest in disclosing the information.
    - Agenda item Agenda item 14. “Exempt/ Confidential Minutes” (of the meeting of the Cabinet held on 1<sup>st</sup> December 2010) contained information relating to the financial or business affairs of any particular person (including the authority holding that information). In particular information relating to the financial affairs of the Council.
    - Agenda item 20.1. “Proposed disposals of surplus properties – estimated site values - Exempt Confidential Appendix to Unrestricted Report” contained information relating to the financial or business affairs of any particular person (including the authority holding that information). In particular information relating to the financial affairs of the Council.



- (b) As although there is a public interest favouring public access to local authority meetings, in this case the Cabinet concluded that given the information contained in:
- Agenda item 14. “Exempt/ Confidential Minutes” (of the meeting of the Cabinet held on 1<sup>st</sup> December 2010) relating to the financial or business affairs of any particular person (including the authority holding that information). In particular information relating to the financial affairs of the Council.
  - Agenda item 20.1. “Proposed disposals of surplus properties – estimated site values - Exempt Confidential Appendix to Unrestricted Report” relating to the financial or business affairs of any particular person (including the authority holding that information). In particular information relating to the financial affairs of the Council.

that the public interest in maintaining the exemption on the information outweighed the public interest in disclosing it.

### **SUMMARY OF EXEMPT PROCEEDINGS**

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

Minutes of the meeting of the Cabinet held on 1<sup>st</sup> December 2010 agreed.

#### **15. OVERVIEW & SCRUTINY COMMITTEE**

##### **15.1 Chair's advice of Key Issues or Questions in relation to Exempt / Confidential Business to be considered.**

Nil items.

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

Nil items.

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

Nil items.

#### **17. A PROSPEROUS COMMUNITY**

Nil items.

**18. A SAFE AND SUPPORTIVE COMMUNITY**

Nil items.

**19. A HEALTHY COMMUNITY**

Nil items.

**20. ONE TOWER HAMLETS**

**20.1 Proposed Disposal of Surplus Properties - Exempt Confidential Appendix to Unrestricted Report (CAB 078/101)**

Contents of the appendix noted.

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

Nil items.

**22. EXEMPT / CONFIDENTIAL REPORTS FOR INFORMATION**

Nil items.

The meeting ended at 7.35 p.m.

Chair, Mayor Lutfur Rahman  
Cabinet