

Committee: Overview and Scrutiny	Date: 7 th February 2012	Classification: Unrestricted	Report No.	Agenda Item No.
Report of: Service Head, Democratic Services Originating Officer(s): Antonella Burgio, Democratic Services		Title: Referral Back to the Mayor of Mayor's Decision Called-In: Contract for 2012 Olympic Festival Live Site (Mayor's Decision 20 October 2011, Log No. 009) Wards: Bow East and Bow West		

1. SUMMARY

- 1.1 The attached report arising from the call-in of the Mayor's executive decision on the Contract for 2012 Olympic Festival Live Site (Mayor's Decision 20 October 2011, Log No. 009) endorsed the call-in and referred the decision back for further consideration.
- 1.2 The Chair of Overview and Scrutiny Committee requested that the referral be reported back to the Committee together with the Chair's letter to the Mayor.

2. RECOMMENDATION

- 2.1 That Overview and Scrutiny note the referral made as set out in appendix 1 of the report
- 2.2 That Overview and Scrutiny note the Chair of Overview and Scrutiny Committee's letter to the Mayor attached as appendix 2 to 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 paper"

**Overview and Scrutiny Committee
Agenda 22nd November 2011**

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

**Antonella Burgio
0207 364 4881**

Committee:	Date:	Classification:	Report No.	Agenda Item No.
	23 rd November 2011	Unrestricted		
Report of: Service Head, Democratic Services Originating Officer(s): Antonella Burgio, Democratic Services			Title: Mayor Decision: Contract for 2012 Olympic Festival Live Site (Mayor's Decision 20 October 2011, Log No. 009) Ward:	

1. SUMMARY

- 1.1 Contract for 2012 Olympic Festival Live Site (Mayor's Decision 20 October 2011, Log No. 009) was published 31 October 2001 and was "Called In" for further consideration in accordance with the provisions of Part 4 of the Council's Constitution by Councillors Joshua Peck, Anwar Khan, Carli Harper-Penman, Carlo Gibbs and Bill Turner.

2. DECISION OF THE OVERVIEW AND SCRUTINY COMMITTEE

- 2.1 The Overview and Scrutiny Committee endorsed the call-in and referred the decision back to the Mayor for further consideration.
- 2.2 In view of the urgency of the matter, the Mayor gave further consideration to the issue on 23rd November. Having considered the points raised by the Committee, the Mayor decided to confirm his original decision as published on 31st October.
- 2.3 Notwithstanding that the referral back had to be considered as a matter of urgency by the Mayor, the Overview and Scrutiny Committee nevertheless wished to submit a report to the Cabinet meeting, setting out a number of issues of concern arising from the decision and the call-in discussion. These issues are set out in this report and the attached letter from the Chair of the Committee to the Mayor.

3. RECOMMENDATIONS

- 3.1 That the Cabinet note and comment on the matters set out in the report

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

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4. THE MAYORS DECISION

4.1 The Mayor agreed on 20th October 2011:-

- A *To consider the proposed terms of the contract for the 2012 Olympic Festival Live Site in Victoria Park and:*
- B *Authorised the Corporate Director of Communities, Localities and Culture to approve the final version of the contract in consultation with the Assistant Chief Executive (Legal Services)*
- C *Authorised the Assistant Chief Executive (Legal Services) to execute the Festival Live Sites contract on behalf of London Borough of Tower Hamlets as soon as it can be agreed by all parties in the terms set out in this report.*

5. THE 'CALL IN' REQUISITION

5.1 The Call-in requisition signed by the five Councillors listed gave the following reasons for the Call-in:

"The motion on Victoria Park events passed by Full Council on 8 December 2010 resolved to ask officers to: bring forward a separate policy that addresses the particular needs of the 2012 Live Site during Olympic year, recognising that this is a one-off occasion but also recognising the needs of local residents. This policy fails to consider impacts on residents living around Victoria Park.

Officers did not consult with residents or local ward councillors to inform their negotiations, despite knowing that residents had had serious concerns about commercial events in Victoria Park.

The taking of this decision behind closed doors denied residents and councillors that represent them the opportunity to make representations in advance.

The hours of operation are significantly longer and later (midnight and 00.30am) than those currently in operation for commercial events that have caused residents serious disturbance.

850,000 – 1.2million visitors to the park over the course of three weeks is likely to leave the park in a very poor state and make large parts of it unusable for the months that follow. This receives no consideration within the report.

The profit share should come to the Council to be spent either on the park or on local amenities.

The Council's statement that it has reserved its normal programme of commercial events in the park – and adverts for these events – make clear that this use of the park would be additional to the normal programme of commercial events that have

caused residents problems. There is no consideration of the cumulative impact of this within the report, nor of limiting events either within the Live Site or the commercial programme to limit the impact on residents.”

6. ALTERNATIVE ACTION PROPOSED

6.1 The Call-in Councillors proposed the following alternative course of action:

Not to sign the contract until local residents, the Friends of Victoria Park Group and ward councillors have been consulted to ensure that their concerns can be reflected in the agreement;

To take any decision at Cabinet, where residents and councillors can make representations

To limit the hours of operation to a 10 pm close on week nights and 11pm on weekend nights

Reduce the noise levels permitted at events

To make a commitment not to run commercial events in the same year as the park is used as a live site.

7. CONSIDERATION OF THE “CALL IN”

7.1 The chair noted the constitutional arrangements that allowed the Mayor to make executive decisions.

7.2 Councillor Joshua Peck gave a presentation to the Committee outlining the reasons for the call in and the concerns raised. The Chair permitted representations to be made by community representatives. Councillor Peck then responded to questions from the Committee. The concerns highlighted together with Councillor Peck’s answers were summarised in the following categories:

- Decision making:
 - the decision was published on 31 October 2011; however the consultation was due to start on 23 November therefore consultation would take place after the decision had been made.
 - the decision was made in private which offered residents, Ward Councillors and community groups no opportunity to hear of the decision or raise concerns.
 - the Mayor was not in attendance at the Overview and Scrutiny meeting which had been convened to consider the call-in to answer the issues raised.
 - Councillor Peck queried the projected income for the Council against the expected contribution.

- Councillor Peck queried the liability accepted by the Council set at £20 million.
 - the intended recipients and sum of the charitable contribution to be made by the event organiser had not been specified.
 - Councillor Peck challenged the Mayor's previous undertaking that Olympic events would not be additional to the regular events in Victoria Park as there was evidence that Ticketmaster website had already advertised events.
- Capacity issues:
 - Victoria Park infrastructure would not cope with the dispersal of the projected number. Bethnal Green tube station was not been designated as a TFL dispersal route but has nevertheless been used.
 - there was concern over the projected 850,000 to 1 million visitors to the park as these raised noise nuisance and overcrowding issues.
 - there were issues of antisocial behaviour when the crowds were to be dispersed.
- Environmental issues:
 - Councillor Peck argued that the suggested programme of eight commercial events in addition to the established programme of events would have a very damaging impact on Victoria Park.
 - there was no evidence of consultation on impacts of the events with the Police, Transport for London or the Council's environmental or waste services. There was concern that the transport and security infrastructure would not be able to cope
 - the clean up that would be necessary following these events would in itself also caused disruption to the local community.
 - the after-effects of the events persisted long after the events were over e.g. the poor condition of the grass, time needed for grass to re-grow, time needed for cleansing and restoration of the site to its normal condition.
 - there was concern over the projected 850,000 to 1 million visitors to the park as these raised noise nuisance and overcrowding issues
 - impacts of the events extend far beyond the location of Victoria Park to the surrounding neighbourhoods.
- Residents' inconvenience
 - the proposed to finish time for the events was later than that of other London parks which had set a finish time of 10 p.m.
 - when holding events (in general) large parts of the park were taken out of use, depriving residents and other parts of the community of the Park facility, this event would exacerbate this. The loss of amenity for those living in social housing in the Bow area had been underestimated as large events deprived many children and residents of use of the park. (In contrast, the purpose for which the park was given, namely "the benefit of the area for celebration and temperance" was noted).
 - the community had been led to believe that the regular programme of community events would not take place in 2012 because of the cultural Olympic event programme.
 - post event cleanup activities disturbed the community as they took place early in the morning (6 a.m.)

It was noted that in principal, there was no opposition to the Olympic Festival Live Site proposal as it would bring people together and offered opportunities to generate revenue. The Ward Members' and the community's support for the events however was lost when the frequency of events was such that they adversely affected residents' lives.

7.3 Heather Bonfield, Interim Head of Culture and Jill Bell, Head of legal Services – Environment responded to the concerns raised informing the Committee that:

- the contract had been a joint negotiation covering Hyde Park, and Trafalgar Square also. The tender had been complex and was unusual in that it was not funded by the Olympic authority.
- Planning and licensing consultation was due to start on 23 November and offered an opportunity for community input.
- when the tender was put, it was apparent that it would require commercial events to fund these and most of the money in this respect was to be raised by commercial events in Hyde Park.
- the Olympic live site events were free to enable wider access to Olympic events. No ticket price was payable for these, only a booking fee. A proportion of the free tickets were reserved for the local community. The Organisers would raise their income from other commercial events not those in Victoria Park.
- there would be no late night dispersal as the events were for the purpose of watching Olympic events not for musical entertainment.
- a dispersal strategy had been prepared.
- the maximum capacity 30,000 people.
- only 17 live site events were planned and their purpose was to enable viewing Olympic events to those who would otherwise be prevented from attending.

7.4 According to access to information rules, the contractual issues raised by the Committee concerning indemnification were discussed in closed session. The Committee questioned Heather Bonfield and Jill Bell on these matters and the risks to the Council and community.

8. ALTERNATIVE COURSES OF ACTION PROPOSED

8.1 The Committee considered the views and comments made by Councillor Peck in presenting the call-in, the information given by Heather Bonfield Interim Head of Culture in response to Councillor Peck's issues and the answers to the Committee's questions given by Heather Bonfield Interim Head of Culture and Jill Bell Head of Legal Services - Environment.

8.2 The committee's discussion of the call-in brought forward the following views:

- The committee remained unhappy with the lack of transparency and accountability of the decision making.
- The committee felt that they should have been access to information on this decision beforehand and noted that, despite Ward Councillors' efforts, information on the proposal and proposed arrangements had not been forthcoming, neither through Councillors' enquiries nor through requests at Council.
- the committee felt that the process taken had not been transparent.
- the committee wished that the forthcoming consultations be undertaken as widely as possible and also reported widely to Ward Councillors and regulatory committees as appropriate.
- the Committee remained concerned about the scale of the indemnification accepted.
- the Committee accepted that the event would be beneficial to the community however in their view this did not justify the process that had engaged in decision making.
- the Committee was disappointment that the Mayor had not attended to answer its concerns
- the decision had been incorrectly categorised as not a Key Decision as the effects evidently would extend beyond the limits of one Ward and significant sums of money were involved.

The Committee felt that the decision on a matter of great importance had been taken in an unaccountable and opaque way. In Member's view the matter should have been considered in an open manner. The chair wished therefore request to meet with the Mayor to address her issues and to propose that in future significant Borough issues were addressed appropriately.

Following discussion, the Overview and Scrutiny Committee endorsed the reasons for the call-in and alternative action proposed as submitted by the call-in Members and set out above.

The Chair acknowledged that due to urgency it would be necessary for the further consideration of the decision to be undertaken by the Mayor rather than at the Cabinet meeting. However given the committee's serious concerns they would still wish to report to the Cabinet on the matter and setting out those concerns.

The Committee endorsed the Chair's comments In particular, in relation to the process for the decision, the Committee felt that the Mayor's decision not to treat this matter as a Key Decision, thereby avoiding the requirement for prior publicity and/or consultation with the Chair of the Overview and Scrutiny Committee on the matter was wrong.

The Committee agreed to make a report to the next Cabinet meeting on this matter and to discuss with the Mayor guidelines for dealing with such matters in future.

The Committee further expressed disappointment that neither the Mayor nor the relevant Cabinet Member was in attendance at the O&S Committee meeting, leaving officers to represent the executive and denying the Committee and public the opportunity to hear from the Mayor his reasons for the decision and for making it in private.