

**EXTRACT FROM MINUTES OF THE COUNCIL MEETING HELD ON  
WEDNESDAY, 18 SEPTEMBER 2013**

**12.3 Motion regarding the Watts Grove Depot redevelopment**

**RESOLVED**

This Council notes:

- The Mayor's decision on the 29<sup>th</sup> July to scrap the Council's redevelopment of the Watts Grove Depot site.
- That this decision was taken in secret behind closed doors and without any opportunity for scrutiny from residents of councillors as would have been the case were it made at Cabinet two days later.
- Scrapping the development of Watts Grove will mean the 149 planned social homes will now not be built.
- In the report the Chief Finance Officer wrote that *"It is estimated that as a result of the project the net deficit in the HRA will increase by between £200k and £900k from 2015/16 onwards"* making the development unaffordable.
- The motion proposed by Cllrs Gibbs and Peck at this year's Budget which stated:
  - o *That between the Chancellor's Emergency Budget in 2010 and 2017/18, the Council's General Fund budget will have been cut by 50%;*
  - o *The Council's Medium Term Financial Plan is showing a black hole of £39m in 2015/16, £24m of which is unfunded, and a deficit of at least £55m is anticipated in 2016/17;*
  - o *In facing these cuts the residents of this borough deserve openness and honesty about how those elected to represent them will deal with this issue;*
  - o *The Mayor has lost control of the Council's finances and has no proposals - such as an invest to save strategy, star chamber programme or review of service - to deal with this black hole;*
- There are over 20,000 people on the housing waiting list
- The Mayor wrote in his decision that he would *"reconsider the decision to declare the Watts Grove Depot surplus to requirements" meaning the site would not be available for development."*
- The Mayor wrote in the ELA on the 14th August that *"scheme has not been scrapped and it will be going ahead"*

This Council believes:

- That the Mayor was warned about the impact of his mismanagement of Council finances and did nothing.
- The cancellation of Watts Grove could have been avoided had the Mayor listened to Labour councillors and got a grip on the Council's finances.
- 20,000 residents on the housing waiting list have been thoroughly let down by the Mayor who has failed to deliver the much needed council housing he promised, and that it is residents who are paying the price for the Mayor's financial incompetence.
- The Chief Finance Officer's report raises serious concerns about the mechanism used by the Mayor to fund the redevelopments of Dame Colet House and Poplar Baths.
- By taking the decision in secret, behind closed doors, the Mayor further demonstrated his contempt for any kind of scrutiny of his actions and that this is a further insult to residents who are concerned about the housing shortages in the borough and whom he is supposed to represent.
- The Mayor's contradictory and inaccurate statements to the media are misleading and unacceptable.

This Council resolves:

- To instruct the Overview and Scrutiny Committee to investigate the reasons for the collapse of the Watts Grove Depot project, and the sustainability and suitability of the financial mechanisms used to fund Dame Colet House and Poplar Baths and to report back to Council in November on its findings.
- To call upon the Mayor to come clean about the state of the Council's finances and to put in place a plan to balance the Council's books.
- To require the Section 151 officer to report to councillors within the week how much money including an estimate of officer time has been spent to date on the Watts Grove Project.