

LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE CABINET

HELD AT 5.38 P.M. ON WEDNESDAY, 8 JANUARY 2014

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

Members Present:

Mayor Lutfur Rahman	(Mayor)
Councillor Ohid Ahmed	(Deputy Mayor)
Councillor Rofique U Ahmed	(Cabinet Member for Regeneration)
Councillor Shahed Ali	(Cabinet Member for Environment)
Councillor Abdul Asad	(Cabinet Member for Health and Wellbeing)
Councillor Alibor Choudhury	(Cabinet Member for Resources)
Councillor Shafiqul Haque	(Cabinet Member for Jobs and Skills)
Councillor Rabina Khan	(Cabinet Member for Housing)

Other Councillors Present:

Councillor Kabir Ahmed	(Executive Advisor to the Mayor and Cabinet)
Councillor Stephanie Eaton	
Councillor Ann Jackson	
Councillor Gulam Robbani	(Executive Advisor to the Cabinet and Mayor on Adult Social Care)
Councillor Motin Uz-Zaman	(Chair, Overview & Scrutiny Committee)
Councillor Marc Francis	

Officers Present:

Zamil Ahmed	(Senior Procurement Manager, Category and Contract Management)
Katherine Ball	(Senior Accountant, Development & Renewal)
Robin Beattie	(Service Head, Strategy & Resources & Olympic Impact, Communities Localities & Culture)
Dave Clark	(Acting Service Head Resources, Development and Renewal)
Aman Dalvi	(Corporate Director, Development & Renewal)
Ben Gadsby	(Political Adviser to the Conservative Group)
David Galpin	(Head of Legal Services (Community), Legal Services, Chief Executive's)
Stephen Halsey	(Head of Paid Service and Corporate Director Communities, Localities & Culture)
Everett Haughton	(Third Sector Programmes Manager, Third Sector Team, Development and Renewal)
Chris Holme	(Acting Corporate Director - Resources)
Kevin Kewin	(Service Manager, Strategy & Performance, Chief Executive's)
Ellie Kuper-Thomas	(Strategy, Policy and Performance Officer -

Paul Leeson	Executive Mayor's Office, One Tower Hamlets, Chief Executive's)
Robert McCulloch-Graham	(Finance Manager, Development & Renewal)
Murziline Parchment	(Corporate Director, Education Social Care and Wellbeing)
Takki Sulaiman	(Head of Executive Mayor's Office, Democratic Services, Chief Executive's)
Matthew Mannion	(Service Head Communications, Chief Executive's)
	(Committee Services Manager, Democratic Services, Chief Executive's)

NOTE - AGENDA ORDER

During the meeting the **Mayor** agreed to vary the order of business. To aid clarity, the Minutes are presented in the order that the items originally appeared on the agenda.

The order of business as taken at the meeting was as follows:

Items:

- 1 – Apologies for Absence
- 2 – Declarations of Disclosable Pecuniary Interests
- 3 – Minutes
- 4 – Petitions
- 5 – Overview and Scrutiny Committee
- 10.1 – Strategic Performance, 13/14 General Fund Revenue Budget and Capital Programme Monitoring Q2
- 10.2 – Contract Forward Plan Q4
- 10.3 – Voluntary and Community Sector Strategy
- 10.5 – Council Tax Base Report and Technical Changes
- 10.6 – Treasury Management Strategy Statement, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2014-15
- 10.7 – General Fund Capital and Revenue Budgets and Medium Term Financial Plan 2014-17*
- 10.4 – Fees and Charges 2014/15*
- 6.1 – Housing Revenue Account First Budget and Rent Setting Report 2014/15*
- 12.1 – Exercise of Corporate Directors' Discretions

* These items were considered together.

1. APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of:

- Councillor Rania Khan (Cabinet Member for Culture)
- Councillor Oliur Rahman (Cabinet Member for Children's Services)

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS

None were declared.

3. UNRESTRICTED MINUTES

The unrestricted minutes of the Cabinet meeting held on 4 December 2013 were noted.

4. PETITIONS

Nil items.

5. OVERVIEW & SCRUTINY COMMITTEE

5.1 Chair's Advice of Key Issues or Questions in Relation to Unrestricted Business to be Considered

Councillor Motin Uz-Zaman, Chair of the Overview and Scrutiny Committee (OSC), provided an update on the discussions that had taken place at their last meeting.

In particular he reported that:

- The Committee had considered the Call-In on the Community Chest and Community Events Grants (Round 4) Individual Mayoral Decision. He thanked Councillor Ann Jackson for her presentation of the call-in and Councillor Alibor Choudhury for his response on behalf of the administration. He stated that OSC had supported the Call-In in particular around issues of transparency and assessment criteria. The OSC would be providing a response for the Mayor and they requested that he reconsider his original decision.
- There had been a useful discussion on efforts to prevent electoral fraud and that the Committee hoped all parties would be looking to send out a strong message that fraudulent activities were not acceptable.
- There had been an initial discussion around the Council's draft budget and that OSC would consider it in more detail on 20 January.
- The Committee continued to be disappointed that the Mayor had not attended a meeting of the OSC and hoped that he would be coming to the next regular meeting on 4 February 2014.

The **Mayor** thanked Councillor Motin Uz-Zaman for his update and in particular confirmed that the Administration was doing everything it could to prevent electoral fraud.

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

The Clerk advised that no requests had been received to 'call-in' for further consideration, by the Overview and Scrutiny Committee, any provisional

decisions taken by the Mayor in Cabinet at the meeting held on 4 December 2013.

6. A GREAT PLACE TO LIVE

6.1 Housing Revenue Account First Budget and Rent Setting Report - 2014/15

Councillor Rabina Khan, Cabinet Member for Housing, introduced the report. She explained that the government set the rent policy, however, even after the proposed increase of 4.9%, the Council's rent charges would still be the lowest social housing charges in the Borough.

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

RESOLVED

1. To agree that the Authority will continue to follow current rent restructuring policy, and that therefore, based on the September 2013 RPI (retail price index) figure of 3.2%, the average 2014/15 weekly rent increase for tenanted Council dwellings will be £5.04, and the average weekly tenanted service charge increase will be £0.36 from the first rent week in April 2014.
2. To note that the Housing Revenue Account (HRA) budget will be presented to Cabinet for approval in February 2014.

7. A PROSPEROUS COMMUNITY

Nil items.

8. A SAFE AND COHESIVE COMMUNITY

Nil items.

9. A HEALTHY AND SUPPORTIVE COMMUNITY

Nil items.

10. ONE TOWER HAMLETS

10.1 Strategic Performance, 13/14 General Fund Revenue Budget and Capital Programme Monitoring Q2

Councillor Alibor Choudhury, Cabinet Member for Resources, introduced the noting report. He highlighted the positive progress in many areas such as improving employment opportunities, reducing child poverty and also reducing personal robberies.

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

RESOLVED

1. To review and note the Quarter 2 2013/14 performance; and
2. To note the Council's financial position as detailed in section 4 and Appendices 1-3 of this report.

10.2 Contract Forward Plan Q4

Councillor Alibor Choudhury, Cabinet Member for Resources, introduced the report.

The **Mayor** welcomed the report, particularly noting the planned new homes and schools improvements. He **agreed** that all the proposed contracts could go out to tender.

RESOLVED

1. To approve that all the contracts set out in Appendix 1 can go to tender.
2. That the Corporate Director for the service has delegated power to award the contracts subject to consultation with the Mayor and the relevant lead member and a Head of Legal Services.
3. To authorise a Head of Legal Services to execute all necessary contract documents in respect of the awards of contracts referred to at recommendation 1 above.

10.3 Voluntary and Community Sector Strategy

Councillor Alibor Choudhury, Cabinet Member for Resources, introduced the report. He drew the Mayor's attention to the following amendment to the Strategy at Appendix 1.

Appendix 1 - VCS Strategy: Objectives

Regarding the issue of supporting VCS Organisations to meet a commissioning model approach - the following are examples to be inserted at the end of the paragraph at the top of page 13 (page 63 of agenda pack):

- Providing a 'procurement & contract management readiness toolkit' to enable Third Sector Organisations to prepare themselves for responding to commissioning opportunities

- Ensuring that Contract/Agreement terms and conditions are written in such a way that they are able to be fully understood by organisations without detailed legal understanding/representation
- Minimising the complexity of commissioned services/activities in terms of their packaging
- Offering a brokerage service to bring small interested organisations into bid partnerships/consortia

The Mayor welcomed the report and the vital contribution the voluntary and community sector played in providing services to the Borough's residents. The **Mayor** noted the amendment and **agreed** the recommendations as set out in the report.

RESOLVED

1. To note the aim and objectives of the Strategy.
2. To note the detail of the Strategy including the process of developing annual action plans in order to deliver and achieve agreed vision and objectives.
3. To agree the Strategy on behalf of the Council, with the additional words tabled at the meeting, noting that it has been developed and is to be delivered as a Partnership initiative.

10.4 Fees and Charges 2014/15

Councillor Alibor Choudhury, Cabinet Member for Resources, introduced the report. He drew the Mayor's attention to the supplementary agenda that included further fees and charges within the Chief Executive's directorate.

The **Mayor** noted the supplementary agenda and **agreed** the reasons for urgency as stated in the original report and the supplementary report and **agreed** the recommendations as set out in the report.

RESOLVED

Chief Executives

1. To approve the revised fees and charges as set out in Appendix 1 in the supplementary agenda with effect from 1st April 2014 or at the earliest opportunity.

Communities, Localities and Culture

2. To approve the revised fees and charges as set out in Appendix 2 with effect from 1st April 2014 or at the earliest opportunity.

Development and Renewal

3. To approve the revised fees and charges as set out in Appendix 3 with effect from 1st April 2014 or at the earliest opportunity.

Education, Social Care and Welfare

4. To approve the revised fees and charges as set out in Appendix 4 with effect from 1st April 2014 or at the earliest opportunity.

Licencing Charges

5. To agree in principle the Licensing charges in Appendix 6 and refer to the Licensing Committee for final approval.

10.5 Council Tax Base Report and Technical Changes

Councillor Alibor Choudhury, Cabinet Member for Resources, introduced the report. He confirmed that it was a necessary technical report relating to the setting of Council Tax charges.

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

RESOLVED

1. To approve, in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 1992, that the amount calculated by the London Borough of Tower Hamlets as its Council Tax Base for the year 2014/15 shall be 74,979.

10.6 Treasury Management Strategy Statement, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2014-15

Councillor Alibor Choudhury, Cabinet Member for Resources, introduced the report. He highlighted the good performance of the investment strategy.

The **Mayor** welcomed the report and **agreed** the recommendations as set out in the report.

RESOLVED

1. To Recommend that Full Council adopt:
 - a. The Treasury Management Strategy Statement set out in sections 6-11 of this report.
 - b. The Annual Investment Strategy set out in section 12 of this report.

- c. The Minimum Revenue Provision Policy Statement set out in section 13 of this report, which officers involved in treasury management must then follow.

2. To delegate to the Interim Corporate Director of Resources, after consultation with the Lead Member for Resources, authority to vary the figures in this report to reflect any decisions made in relation to the Capital Programme prior to submission to Budget Council.

10.7 General Fund Capital and Revenue Budgets and Medium Term Financial Plan 2014-2017

Councillor Alibor Choudhury, Cabinet Member for Resources, introduced the report. He highlighted the challenges faced by the Council in responding to the government's cuts programme. He reported that the Council had agreed a balanced budget and that no further savings were required to be identified for 2014/15.

In respect of reserves he explained that the Council were maintaining significant reserves this year that the Administration planned to use to help smooth out future funding cuts but that they planned to ensure there was always a minimum £20 million of reserves in line with best practise.

Finally, he explained that despite the cuts the Council was continuing to work to meet the needs of the most vulnerable in society.

The **Mayor** opened the item up to discussion and heard from a number of Cabinet Members. Particular issues raised included:

- The need for an accessible, and cheaper to run, new Town Hall.
- Ways of taking advantage of the opportunities provided by the Crossrail project.
- Welcoming new initiatives to support women looking to re-enter the jobs market, in particular in light of the disproportionate effect that the government's cuts were having on women.

The **Mayor** endorsed the comments he heard. He thanked officers for their hard work, and the importance in protecting residents, as far as possible, from the government's cuts. He also highlighted positive investments made by the Council including Poplar Baths, new youth facilities, new homes, a new Ideas Store and work to deliver jobs and apprenticeships to residents.

Finally, he **agreed** the reasons for urgency as set out in the report and **agreed** the recommendations as set out.

RESOLVED

1. To agree a General Fund Revenue Budget of £294.663m together with the Outline Strategic Plan identifying the key priority activities which will be delivered within this budget and which will be further developed into the Council's Strategic Plan for 2014/2015.

2. To accept the Council Tax Free Grant available from the Department of Communities and Local Government for 2014/2015 and thereby agree to continue to freeze Council Tax (Band D) at £885.52 for the new financial year.
3. To agree to propose the items listed below for public consultation and consideration by the Overview & Scrutiny Committee in accordance with the Budget and Policy Framework (Section 16). A further report will then be submitted to the next Cabinet meeting in February detailing the results of consultations and inviting the Cabinet to recommend a Budget Requirement and Council Tax for 2014-15 to Full Council.
4. To agree to conduct the Budget consultation in line with Section 16 in the body of the report.
5. To consider and comment on the following matters -

a. Budget Consultation

The approach to the budget consultation with the community and Overview and Scrutiny Committee.

b. Funding

The funding available for 2014-2015 and the indications and forecasts for future years set out in Section 8.

c. Base Budget 2014-2015

The Base Budget for 2014-2015 as £295.732m as detailed in Appendix 1.

d. Growth and Inflation

The risks identified from potential inflation and committed growth arising in 2014-2015 and future years and as set out in Section 9 and in Appendix 3.

e. General Fund Revenue Budget and Medium Term Financial Plan 2014-2015 to 2016-2017

The initial budget proposal and Council Tax for 2014-2015 together with the Medium Term Financial Plan set out in Appendix 1 and the budget reductions arising.

f. Savings

Previously agreed savings items to be included in the budget for 2014-2015 and the strategic approach for future savings to be

delivered are set out in Section 10, Appendix 4 and Paragraph 7.12 of the report.

g. Capital Programme

The capital programme to 2016-2017, including the proposed revisions to the current programme as set out in section 14 and detailed in Appendix 8 and Adopt a capital estimate to the value of £3.55m to facilitate Decent Homes Works on the Malmesbury Estate as set out in paragraph 14.6.

h. Dedicated Schools Grant

The position with regard to Dedicated Schools Grant as set out in Section 12 and Appendix 6.

i. Housing Revenue Account

The position with regard to the Housing Revenue Account as set out in Section 13 and Appendix 7.

j. Financial Risks: Reserves and Contingencies

Advise on strategic budget risks and opportunities as set out in Section 11 and Appendices 5.1, 5.2 and 5.3.

k. Reserves and Balances

The position in relation to reserves as set out in the report and further detailed in Appendices 5.1 and 5.3.

l. Mayor Priorities

An initiative to be included in the budget for 2014-15 is set out in Section 8.29 of this report.

11. ANY OTHER UNRESTRICTED BUSINESS CONSIDERED TO BE URGENT

Nil items.

12. UNRESTRICTED REPORTS FOR INFORMATION

12.1 Exercise of Corporate Directors' Discretions

Councillor Alibor Choudhury, Cabinet Member for Resources, introduced the report and the **Mayor** agreed the recommendation as set out.

RESOLVED

1. To note the exercise of Corporate Directors' discretions as set out in Appendix 1.

13. EXCLUSION OF THE PRESS AND PUBLIC

No motion to exclude the press and public was passed.

14. EXEMPT / CONFIDENTIAL MINUTES

Nil items.

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 COHESIVE COMMUNITY

Nil items.

19. A HEALTHY AND SUPPORTIVE COMMUNITY

Nil items.

20. ONE TOWER HAMLETS

Nil items.

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

Nil items.

22. EXEMPT / CONFIDENTIAL REPORTS FOR INFORMATION

Nil items.

The meeting ended at 6.49 p.m.

John S. Williams
SERVICE HEAD, DEMOCRATIC SERVICES