

Committee: Overview & Scrutiny	Date: 12 th May, 2015	Classification: Unrestricted	Report No. 5.2
Report of: Service Head, Democratic Services Originating Officer(s): David Knight, Committee Services Officer		Title: Recommendation to sell 296 Bethnal Green Road by auction instead of by informal tender as authorised by cabinet on 4th February 2015 Wards: All	

1. SUMMARY

- 1.1 The attached report “Recommendation to sell 296 Bethnal Green Road by auction instead of by informal tender as authorised by Cabinet on 4th February 2015” and has been “Called In” by Councillors Rachael Saunders; Danny Hassell; Clare Harrisson; Shiria Khatun and Amina Ali as until the election of a new mayor, executive decisions should be paused in order to ensure legitimacy and accountability of any decisions. This is in accordance with the provisions of rule 16 of the Overview and Scrutiny Procedure Rules in Part 4 of the Council’s Constitution.

2. RECOMMENDATION

- 2.1 That the OSC considers
- A. The contents of the attached report, review the Executive decision (provisional, subject to Call In) arising; and
 - B. Decide whether to accept the decision or to refer the matter back to the Executive with proposals and reasons.

3. BACKGROUND

- 3.1 The request (received 29 April, 2015) to “call-in” the Executive decision published on 27 April, 2015 was submitted under rule 16 of the Overview and Scrutiny (OSC) Procedure Rules. It was considered by the Interim Monitoring Officer who has delegated responsibility for calling in Executive decisions in accordance with agreed criteria.
- 3.2 The Call-In request fulfilled the required criteria and the decision is referred to OSC in order to consider whether or not to refer the matter back to the Executive for further consideration.
- 3.3 Implementation of the decision is suspended whilst the “Call In” is considered.

4. THE PROVISIONAL EXECUTIVE DECISION

4.1 The overall report is attached at Appendix 1. However for ease, the decisions as agreed by the Executive in relation to the report are listed below:-

DECISION

4.2 On 4th February 2015 Cabinet authorised the sale, by informal tender, of five council owned properties, being 11-31 Toynbee Street, 2 Jubilee Street, 31 Turner Street, 329 Morville Street and 296 Bethnal Green Road. The report however recommended that 296 Bethnal Green Road should be sold by auction rather than informal tender for a number of reasons as laid out within the report. The recommendations were as follows:

- A. Agree the sale of 296 Bethnal Green Road by auction; and
- B. Note that following a direction given by the Secretary of State on 17 December 2014, prior written agreement will be required from appointed Commissioners before disposing of the property.

4.2 Reasons for Decisions

4.2.1 The appendix to this report sets out the full reasons for the proposals and they can be seen in the attached appendix to the Executive Decision.

4.3 Alternative Options Considered

4.3.1 The appendix to the report set out any alternative options considered and they can be seen in the attached appendix to the report.

5. REASONS AND ALTERNATIVE COURSE OF ACTION PROPOSED FOR THE 'CALL IN'

5.1 The Call-in requisition signed by the five Councillors listed above gives the following reason for the Call-in:

5.1.1 Until the election of a new mayor, executive decisions should be paused in order to ensure legitimacy and accountability of any decisions made. The Deputy Mayor has no democratic mandate to make decisions, including the decision over 296 Bethnal Green Road.

5.1.2 The disposal of assets such as 296 Bethnal Green Road during a period of uncertainty over governance issues – namely the removal of the Executive Mayor from office – would benefit from full scrutiny in a cross-party arena. Consideration by the Overview and Scrutiny Committee would provide such scrutiny and examination.

5.1.3 The disposal of assets is a decision for the Department for Communities and Local Government's appointed Commissioners.

5.2 Alternative action proposed:

1. That this executive decision is reversed; and
2. That there is a moratorium on decision making (decisions made unilaterally by the Deputy Mayor) until the election of a new mayor.

6. CONSIDERATION OF THE “CALL IN”

6.1 Having met the “Call In” request criteria, the matter is referred to the OSC in order to determine the “Call In” and decide whether or not to refer the matter back to the Executive for further consideration.

6.2 The following procedure is to be followed for consideration of the “Call In”:

- (a) Presentation of the “Call In” by one of the “Call In” Members followed by questions from members of OSC.
- (b) Response from the Lead Member/officers followed by questions from members of OSC.
- (c) General debate followed by OSC decision.

N.B. In accordance with the OSC Protocols and Guidance adopted by the Committee at its meeting on 4th June, 2013, any Member(s) who present(s) the “Call In” is (are) not eligible to participate in the general debate.

6.3 It is open to the OSC to either resolve to take no action (which would have the effect of endorsing the original decision/s), or to refer the matter back to the Executive for further consideration setting out the nature of its concerns and possibly recommending an alternative course of action.

7. COMMENTS OF THE CHIEF FINANCIAL OFFICER

7.1 The comments of the Chief Financial Officer are incorporated in the attached report.

8. LEGAL COMMENTS

8.1 The Executive decision has been called-in in accordance with the Overview and Scrutiny Procedure Rules set out in the Council’s Constitution. The alternatives presented in paragraph 2.1 of the recommendations in this report are options available to the Committee under the Overview and Scrutiny Procedure Rules.

8.2 Legal comments relevant to the decision and to the review by the Overview and Scrutiny Committee are set out in the report on which the decision was based.

9. APPENDICES

1. Appendix 1 – Bethnal Green Road Disposal

Local Government Act, 1972 Section 100D (As amended)
List of "Background Papers" used in the preparation of this report

Brief description of "background papers"

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

None