

LONDON BOROUGH OF TOWER HAMLETS

PROFORMA:

MAYORAL DECISION SUBJECT TO CALL-IN AND REFERENCE BACK

Mayoral Decision Log No: 084

Title: Recommendation to sell 296 Bethnal Green Road by auction instead of by informal tender as authorised by Cabinet on 4th February 2015 and taken by the Executive on 27th April, 2015.

Is this a Key Decision?

No

UNRESTRICTED / RESTRICTED:

Unrestricted

DATE OF OVERVIEW AND SCRUTINY COMMITTEE:

12th May, 2015

DECISION OF THE OVERVIEW AND SCRUTINY COMMITTEE:

1. That this decision is referred back and that it is re-considered through the established cross party procedure.

BACKGROUND

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:

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 set out within

the report. Following that decision by Cabinet in February, 2015 the Executive on the 27th April, 2015:

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

Reasons for the Decision

Appendix 1 to this report sets out the full reasons for the proposals.

Alternative Options Considered

Appendix 1 to this report sets out any alternative options considered

REASONS FOR THE REFERENCE BACK

The Call-in requisition in relation to the above decision on the Executive on 27th April, 2015 set out the following reasons for the call-in:-

1. Until the election of a new mayor, Executive decisions should have been paused in order to ensure legitimacy and accountability of any decisions made. That then Deputy Mayor had no democratic mandate to a decision over 296 Bethnal Green Road.
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 have benefitted from full scrutiny in a cross-party arena and that consideration by the Overview and Scrutiny Committee would have provided such scrutiny and examination.
3. The disposal of assets was a decision for the Department for Communities and Local Government's appointed Commissioners.

ALTERNATIVE ACTION RECOMMENDED BY THE OVERVIEW AND SCRUTINY COMMITTEE (IF ANY)

The Call-in requisition proposed the following alternative action in relation to the Mayor's decision:-

- I. That this Executive decision should be reversed; and
- II. That there should be a moratorium on decision making (decisions made unilaterally by the Deputy Mayor) until the election of the new Mayor.

ORIGINAL DECISION

The original Mayor's Decision Log No. 84 is set out in Appendix 1 to this report.

LEGAL COMMENTS

Additional legal comments are set out in Appendix 1 to this report.

DECISION OF THE MAYOR

I have reconsidered the Mayor's Decision Log No. 84 "Recommendation to sell 296 Bethnal Green Road by auction instead of by informal tender" and in the light of the information provided by the Overview and Scrutiny Committee at its meeting on 12th May, 2015 as set out above.


Accordingly, having taken into consideration all of the relevant information I have decided to:-

✓ (a) Confirm the Executive decision, of 27th April, 2015 published on 27th April on the matter of the sale of 296 Bethnal Green Road by auction instead of by informal tender *: or

~~(b) Amend the Executive decision, of 27th April, 2015 published on 27th April on the matter of the sale of 296 Bethnal Green Road by auction instead of by informal tender as set out below *:-~~

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(* Delete as applicable)

Signed  Date 27/7/2015
Mayor John Biggs

