

LONDON BOROUGH OF TOWER HAMLETS**MINUTES OF THE CABINET****HELD AT 5.40 P.M. ON WEDNESDAY, 31 JANUARY 2024****COUNCIL CHAMBER - TOWN HALL, WHITECHAPEL****Members Present in Person:**

Mayor Lutfur Rahman	
Councillor Maium Talukdar	(Deputy Mayor and Cabinet Member for Education, Youth and Lifelong Learning (Statutory Deputy Mayor))
Councillor Kabir Ahmed	(Cabinet Member for Regeneration, Inclusive Development and Housebuilding)
Councillor Saied Ahmed	(Cabinet Member for Resources and the Cost of Living)
Councillor Suluk Ahmed	(Cabinet Member for Equalities and Social Inclusion)
Councillor Gulam Kibria Choudhury	(Cabinet Member for Health, Wellbeing and Social Care)
Councillor Abu Chowdhury	(Cabinet Member for Safer Communities)
Councillor Iqbal Hossain	(Cabinet Member for Culture and Recreation)
Councillor Kabir Hussain	(Cabinet Member for Environment and the Climate Emergency)
Councillor Abdul Wahid	(Cabinet Member for Jobs, Skills and Growth)

Other Councillors Present in Person:

Councillor Sirajul Islam

Officers Present in Person:

Janet Fasan	(Director of Legal & Monitoring Officer)
Warwick Tomsett	Joint Director, Integrated Commissioning
Simon Baxter	(Interim Director Public Realm)
Catherine Boyd	Interim Head of Arts, Parks and Events
Terry Bryan	(Service Head (Pupil Access and School Sufficiency))
Catherine Grace	(Head of School Admissions)
Stephen Halsey	(Chief Executive)
Afazul Hoque	(Head of Corporate Strategy & Policy)
Abdulrazak Kassim	(Director Finance, Procurement and Audit)
Daniel Kerr	(Strategy and Policy Manager)
Chris Leslie	(Head of Strategic and Corporate Finance)
Julie Lorraine	(Corporate Director Resources)
Paul Patterson	(Interim Corporate Director Housing And Regeneration)
Steve Reddy	(Interim Corporate Director, Children's Services)
Karen Swift	(Divisional Director, Housing and Regeneration)
Abad Uddin	(Graduate Management Trainee, Human

James Walsh Resources)
(Housing Regeneration Officer, Major Project
Development, Development & Renewal)

Joel West (Democratic Services Team Leader (Committee))

Officers In Attendance Virtually:

John Harrison Interim Director of Finance, Procurement and Audit
William Jabang (Senior Procurement Manager)

1. APOLOGIES FOR ABSENCE

None.

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS AND OTHER INTERESTS

In relation to Item 6.7 HAP Regeneration Scheme, Councillor Iqbal Hossain, Cabinet Member for Culture and Leisure, declared that his brother was secretary for Redcoat community centre.

3. UNRESTRICTED MINUTES**RESOLVED:**

1. That the unrestricted minutes of the Cabinet meeting held on Wednesday 3 January 2024 be approved and signed by the Mayor as a correct record of proceedings.

4. ANNOUNCEMENTS (IF ANY) FROM THE MAYOR

The Mayor asked the Cabinet to note that at this Cabinet meeting he would propose an updated 2024/25 budget and MTFS. He stressed that additional investment would be realised to that agreed on 3 January which he hoped would remedy underinvestment and underperformance of the previous administration. He noted that changes to the proposals since 3 January included:

- additional income of £3.2m from free school meals grant and leasing of temporary accommodation.
- additional expenditure of £2.930m for investment in community improvements and priority projects.
- Additional income of £3.277m from a 2.99% increase in council tax, net of a Council Tax Cost of Living Relief Fund.
- To support lower income households, the council would create a Council Tax Cost of Living Relief Fund, which means that people will be able to apply for relief on the entire council tax increase of 2.99% if their total household income is less than £49,500.

He stressed that the proposals reflected a healthy and sustainable position, and followed input from 1,931 residents and businesses that took part in the budget consultation.

5. OVERVIEW & SCRUTINY COMMITTEE

5.1 Chair's Advice of Key Issues or Questions

The Mayor and Cabinet noted the Overview and Scrutiny Committee's Review of budget proposals 2024-25 (26/01/2024).

Councillor Musthak Ahmed, Chair Overview and Scrutiny Committee addressed the meeting on behalf of the Committee. He provided the Mayor and Cabinet with an overview of the Committee's previous two meetings including:

on 8th January OSC had considered the Council's 2024-25 Budget Report, Medium Term Financial Strategy, and Fees and Charges 2024-25 and, on 23 January held a deep dive review of the budget for Parking Services, Waste Services and Housing Options Services. The Committee welcomed continued investment through the Mayor's Education Maintenance Allowance and University Bursary schemes, the introduction of free swimming for women and girls over 16 and men over 55, funding for a Women's Resource Centre and Somali Resource Hub, and creation of a Council Tax Cost of Living Relief Fund. It also noted that reliance on reserves has been reduced and savings identified exceed the target.

The Committee had made several recommendations focusing on the sustainability of the substantial growth bid for Waste Services; it would like to receive quarterly updates on the impact investment is having on performance. Additionally, it had recommended that rent be capped to £10 per week and increases for residents parking permits fees to be reconsidered.

The Committee had submitted a detailed draft report with recommendations for the Mayor and Cabinet's consideration. Given the significant and material changes to the proposed budget which Cabinet was considering tonight, would convene an additional meeting on 5 February and submit a final report to the Mayor and Cabinet.

On 29 January the Committee had focused on the Cost of Living crises. OSC considered the support provided and heard from organisations including advice agencies and food banks, to understand the level of need residents are facing and what more is needed. The Committee noted that demand for advice and support was increasing and beyond the level experienced a year ago. Despite significant investment from the Council to support residents, more people are falling into debt and facing great financial difficulty. The Committee would provide a note with further comments and recommendations for the Mayor and Cabinet's considerations.

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

None.

6. UNRESTRICTED REPORTS FOR CONSIDERATION

6.1 Budget Report 2024-25 and Medium Term Financial Strategy 2024-27

The Mayor considered Items 6.3 (HRA Fees and Charges), 6.2 (HRA Strategy) and 6.1 (this item) together. The combined minute for all three agenda items is provided here.

Councillor Saied Ahmed, Cabinet Member for Resources and the Cost of Living introduced the reports that provided an updated proposed Budget and medium-term financial plan position to Cabinet including changes from the previous draft. A new HRA fees and charges schedule and a new HRA strategy formed an integral part of the revised proposals.

Councillor Ahmed advised the revised position included further investment proposals including cost-of-living crisis support, and new initiatives for residents to get active and involved in the running of their borough, including:

- Continued investment in young people with £750,000 for up to 1,250 Education Maintenance Allowance awards, increasing the amount they receive from £400 to £600 per year.
- A total of £1.2m for the Mayor's University Bursary, increasing the £1,500 per pupil award from 400 to 800 students.
- £248,000 a year to improve health and isolation by providing free swimming and aquatic sessions for women and girls over 16 across a range of facilities in the borough, as well as men over 55 years old.
- Promotion of Tower Hamlets as a place to visit, work and invest in, including a project to recognise residents from diverse communities and involve them in council delivery.
- £1.4m to create a culturally sensitive Women's Resource Centre to provide health, educational and employment advice and benefits to local Bengali-British women.
- £1.5m for culturally sensitive Drug Misuse Treatment Centre to diversify drug treatment for BAME and other groups.
- £15m capital investment to create an Institute of Academic Excellence - a world class A-level institution that will look to improve attainment, and send more local children to Oxbridge, Russell Group, and world class universities.
- £20m capital investment in a culturally sensitive Adult Care Home (extra care), a standalone 50-60 bed adult care facility designed to promote independence and wellbeing for elderly and vulnerable BAME residents.
- Investment in a Somali Resource Hub – a dedicated resource hub for the growing Somali population in Tower Hamlets.

Councillor Ahmed explained how the proposals meet the objective of a securing a sustainable financial position across the medium term.

Julie Lorraine, Corporate Director Resources, provided additional details. Julie explained that the proposed HRA fees and charges had been prepared using same approach as with General Fund. Not all HRA charges are charged to tenants. Julie explained the main provisions of the proposed HRA strategy

and the rationale for each and how they would help to address the key housing challenges in the borough.

Cabinet members welcomed the proposals and highlighted some of the ways the proposals in the three reports would improve services within their portfolio.

The Mayor welcomed the report and offered his thanks to the Lead Member, Corporate Director Resources and all members and officers involved in the preparation of the three reports. He indicated he was proud to recommend his proposed budget to full Council for approval.

RESOLVED that the Mayor in Cabinet:

1. Proposes a draft General Fund Revenue Funding Requirement of **£459.429m** for 2024-25 subject to remaining changes arising from the final Local Government Finance Settlement and any other necessary adjustments.
2. Proposes to levy a 2% Adult Social Care precept and an increase of 2.99% on the general Council Tax element for 2024-25.
3. Approves that the Corporate Director Resources, in consultation with the Mayor and Cabinet Member for Resources & Cost of living, be authorised to make any changes required to the draft budget following receipt of the Final Local Government Finance Settlement (LGFS).
4. Notes the latest draft position of the Council's reserves, subject to final audit of the statements of accounts.
5. Approves the creation of the Council Tax Cost of Living Relief Fund.
6. Notes the results of the budget consultation at Appendix 10 to the report.
7. Proposes the 2024-25 Housing Revenue Account budget as set out in Appendix 7A to the report.
8. Agrees that the National Schools Funding Formula (NSFF) adopted by Tower Hamlets originally in 2019-20 continues for 2024-25. The only changes included are increases to the factor values in line with the NSFF.
9. Agrees that the Minimum Funding Guarantee (the mechanism that guarantees schools a minimum uplift in per-pupil funding) is set as close to 0.5% as affordable, the maximum allowed after consideration for growth and factor changes in School allocations.
10. Agrees that the structure of the Early Years Funding Formula remains unchanged except for the introduction of the expanded two-year-old entitlement and new provision from 9 months from September 2024

with revised hourly rates increases in line with the Early Years National Funding Formula.

11. Notes that the Local Council Tax Reduction Scheme will remain unchanged for 2024-25.
12. Notes the School funding position set out at Section 3.10 of the report, in particular the overall Dedicated Schools Grant (DSG) deficit.
13. Notes the Equalities Implications as set out in Section 4 of the report.
14. Approves the three-year General Fund (GF) Capital Programme 2024-27 as set out in Appendix 8A to the report, totalling £202.255m.
15. Approves the three-year Housing Revenue Account (HRA) Capital Programme 2024-27 as set out in Appendix 8D to the report, totalling £384.918m.
16. Approves the revised 2023-24 General Fund and HRA Capital Programme budgets as set out in Appendix 8A and 8D to the report, totalling £88.862m and £72.157m respectively.
17. Approves the budget allocation growth and reductions to schemes in the General Fund and Housing Revenue Account capital programme as detailed in Appendix 8C to the report, subject to sign off through the council's capital governance process.
18. Approves delegated authority to the Corporate Director of Housing and Regeneration in consultation with the Corporate Director of Resources to take any steps required to deliver the capital programme including but not limited to going out to tender, appointing consultants and contractors in accordance with the Procurement Procedures, acquiring land interests and appropriating land from the General Fund to the Housing Revenue Account (HRA) for the delivery of new council homes, subject to approved budgets and in consultation with the Mayor and the Cabinet Member.
19. Approves budget provisions relating to the housing capital rolling programme to maintain and improve the existing council stock, amounting to 23.903m in 2023-24, £23.000m in 2024-25, £28.000m in 2025-26 and £34.000m in 2026-27, totalling £108.903m, in line with the latest update to the 30-year HRA Business Plan, with spend to be only committed in consultation with the Mayor and the Cabinet Member for budget provisions relating to financial years 2024-25 to 2026-27.

All capital projects within the capital programme will only proceed once all due diligence relating to the council's capital governance process has been completed.

6.2 HRA Strategy

The Mayor noted and agreed the reasons for urgency as set out in the report. This item was considered together with Items 6.3 (HRA Fees and Charges) and 6.1 (Budget and MTFs). For the minute of this item, see the minute for Item 6.1 'Budget Report 2024-25 and Medium Term Financial Strategy 2024-27.

RESOLVED that the Mayor in Cabinet:

1. Agrees the financial strategy for the HRA.
2. Agrees to the acquisition of c600 homes over the next two years within the HRA.
3. Agrees an allocation of 200 homes for temporary accommodation from vacated units of existing stock within the HRA. The allocation of the 600 additional new homes will be made available to those on the housing register ensuring both existing tenants and those on the waiting list to become tenants benefit directly from the investment.
4. Requests the Corporate Director of Housing to provide a detailed service delivery plan to ensure timely and agile implementation of the agreed strategy and enable elected members to review and approve proposed works within this plan ahead of their commencement.

6.3 HRA Fees and Charges

The Mayor considered this item together with items 6.2 (HRA Strategy) and 6.1 (Budget and MTFs). For the minute of this item, see the minute for Item 6.1 'Budget Report 2024-25 and Medium Term Financial Strategy 2024-27.

RESOLVED that the Mayor in Cabinet:

1. Approves the proposed HRA fees and charges for 2024-25 as detailed in Appendix 1 of the report.

6.4 Contracts Forward Plan 2023/24 Q3

Councillor Saied Ahmed, Cabinet Member for Resources and the Cost of Living introduced the report that set out a forward plan of supply and service contracts over £1m in value, or capital works contracts over £5m for quarter three of the current financial year.

The Mayor and Cabinet noted that a replacement Appendix 1 to the report had been published. The Mayor welcomed the report, though he expressed concerns with the contract 'HAR5945 Rooftop New Homes' from the updated Appendix 1 and indicated he did not support this contract progressing.

RESOLVED that the Mayor in Cabinet:

1. Notes the contract summary at the updated Appendix 1 to the report.
2. Authorises the appropriate Corporate Director in consultation with the Mayor to award those contracts set out in the updated Appendix 1 to the report except for 'HAR5945 Rooftop New Homes' (which is not authorised), following an appropriate procurement exercise.
3. Authorises the Director Legal Services (Monitoring Officer), to execute all necessary contract documents in respect of the awards of contracts, subject to an appropriate award decision being achieved.
4. Note the procurement forward plan 2023-2028 schedule detailed in Appendix 2 to the report.

6.5 Corporate Equalities Plan 2023-2026

Councillor Suluk Ahmed, Cabinet Member for Equalities and Social Inclusion introduced the report that presented a new Corporate Equalities Plan for 2024-26. He explained how the Plan sets out the actions the council will deliver to achieve the equality objectives from the Strategic Plan 2022-26. Finally, Councillor Ahmed outlined some of the key achievements of the administration to date to further equalities objectives including the establishment of a women's commission, proposed new Somali resource centre and frees swimming provision.

The Mayor welcomed the report.

RESOLVED that the Mayor in Cabinet:

1. Agrees the Corporate Equalities Plan 2024-26.
2. Notes that a delivery plan will be developed setting out key milestones for actions within the plan. The Mayor, Cabinet Member and Mayor's Office will be engaged in the development of the delivery plan.

6.6 Procurement and delivery of new electric vehicle charging points 2024-2026

Councillor Kabir Hussain, Cabinet Member for Environment and the Climate Emergency introduced the report that This report sought Mayoral approval for officers to undertake three procurement projects for installing over 2000 new electric vehicle (EV) charging points across the borough in 2024.

Simon Baxter, Corporate Director Communities added further detail. He suggested recommendations 4-6 from the report submitted were amended slightly, to clarify that in consultation that all decisions should be made following consultation with the Mayor.

The Mayor welcomed the report and the proposed amendments to the recommendation suggested by the Corporate Director Communities. He asked officers to ensure chargers were spread out throughout the borough and to ensure resident permit parking places would not be unduly lost as a result of the installations.

RESOLVED that the Mayor in Cabinet:

1. Approves the procurement of 35 rapid charging points delivered over the next two years to 2026 and fully funded by the appointed supplier.
2. Approves procuring 2000 slow charging points to be delivered over the next two years to 2026.
3. Approves LBTH as the lead borough in undertaking the joint procurement with the London Borough of Barking and Dagenham of 200 fast and 30 rapid charging points delivered over the next two years to 2026 (200 fast charging points and 10 rapid charging points would go to LBTH) Two hundred fast charging points and ten rapid chargers would go to LBTH.
4. Authorises the Corporate Director Communities, following consultation with the Mayor, to approve the contract awards pursuant to the procurements referred to above
5. Authorises the Corporate Director Communities, following consultation with the Mayor, to approve the execution of any other documentation to give effect to the above recommendations
6. Authorises the Corporate Director Communities, following consultation with the Mayor, to enter into any grant agreement relating to the receipt of funding for charging points with the Department of Transport

6.7 HAP Regeneration Scheme

Councillor Kabir Ahmed, Cabinet Member for Regeneration, Inclusive Development and Housebuilding introduced the report that sought authorisation for Officers to proceed with the appropriation of land for planning purposes to facilitate the regeneration of the property and agreement in principle that the Council pursue the use of its compulsory purchase powers and for the proposal to relocate the Redcoat Community Centre and Mosque.

Paul Patterson, Corporate Director Housing and Regeneration added further detail. Paul stressed that the proposal was a key regeneration opportunity which it was hoped would deliver much-needed new homes.

The Mayor welcomed the report/ He expressed hope the regeneration would deliver more family homes whilst retaining community centre and Mosque provision.

RESOLVED that the Mayor in Cabinet:

1. Confirms that the Land (outlined in red on the plan attached at Appendix 1 to the report) is no longer required for those purposes for which it is held (housing and open space);
2. Approves the appropriation of the Land for planning purposes to facilitate the redevelopment for residential and community uses pursuant to section 122(1) of the Local Government Act 1972 (subject to 2.1.3 below);
3. Delegates authority to the Corporate Director of Housing and Regeneration in consultation with the Mayor, to take all necessary steps to affect the appropriation of the Land for planning purposes in accordance with section 122(1) of the Local Government Act 1972, including applying to the Secretary of State for consent to the appropriation of the parts of the Land held for housing purposes pursuant to section 19(2) of the Housing Act 1985;
4. Delegates to the Corporate Director of Housing and Regeneration, the authority to appoint external consultants to assess and agree any compensation and claims arising from redevelopment of the Land;
5. Delegates authority to the Director of Housing and Regeneration and the Director of Legal Services and Monitoring Officer, in consultation with the Mayor, to agree the terms of and enter into any documentation required to settle any property matters necessary to progress the regeneration scheme;
6. Agrees the proposals to relocate the Redcoat Community Centre and Mosque in accordance with the approach set out in section 8 of the report and to delegate the terms for disposal of a lease of a new facility to the Corporate Director of Housing and Regeneration in consultation with the Mayor;
7. Agrees in principle, further to the Cabinet report dated 15 December 2021, that the Council can pursue the use of compulsory purchase powers to support the delivery of the redevelopment of the Land and the objectives of the scheme to acquire any outstanding interests in the Land; and
8. Agrees in principle to authorise the making, seeking confirmation and implementation of a CPO in order to facilitate the redevelopment of the Site and, to provide new and improved housing, and community facility. Note the intention to bring a further report to the Mayor in Cabinet later in 2024 recommending the formal making of a compulsory purchase order.

6.8 Licence to occupy areas of Victoria Park in 2024, 2025 and 2026 at times to be more specifically agreed

Councillor Iqbal Hossain, Cabinet Member for Culture and Recreation introduced the report that proposed that the Council grants a licence to AEG Presents Limited to occupy areas of Victoria Park, at times to be specifically agreed, between April and September over a three-year calendar period (2024, 2025 and 2026). He explained that the proposed approach would generate additional income to enable the Council to continue to maintain its parks and open spaces and provide increased opportunities for residents and visitors to engage with a wide range of events including free to access community event days. Finally, Councillor Hossain outlined how planned mitigations would minimise any unwelcome impacts on residents arising from the arrangement.

The Mayor welcomed the report which he hoped would ensure more activities in parks, more opportunities for cultural events for residents as well as more income to invest in parks and open spaces and for the people of the borough.

RESOLVED that the Mayor in Cabinet:

1. Approves the option to enter into a three-year Licence to Occupy with AEG Presents Limited as required.
2. Authorises the Corporate Director of Communities to instruct the Director of Legal Services and Monitoring Officer, to execute and enter into all necessary agreements to give effect to the implementation of recommendation 1 from the report;
3. Notes the Equalities specific considerations as set out in Paragraph 4 of the report.

7. ANY OTHER UNRESTRICTED BUSINESS CONSIDERED TO BE URGENT

None.

8. EXCLUSION OF THE PRESS AND PUBLIC

A motion to exclude the press and public was not required.

9. EXEMPT / CONFIDENTIAL MINUTES

Nil items.

10. OVERVIEW & SCRUTINY COMMITTEE**10.1 Chair's Advice of Key Issues or Questions in Relation to Exempt / Confidential Business**

Nil items.

10.2 Any Exempt / Confidential Decisions "Called in" by the Overview & Scrutiny Committee

Nil items.

11. EXEMPT / CONFIDENTIAL REPORTS FOR CONSIDERATION

Nil items.

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

Nil items.

The meeting ended at 7.30 p.m.

Mayor Lutfur Rahman