

■ ROTTEN BOROUGH ■

HELAL DEAD MEAT

LABOUR is in meltdown in Tower Hamlets, where the party's cack-handed efforts to prevent its own former council leader, Lutfur Rahman, becoming elected mayor of the east London borough on 21 October have virtually guaranteed his triumph at the polls.

Lutfur has become an embarrassment to Labour because of his alleged links to the fundamentalist Islamic Forum of Europe, which pulls the strings at the East London Mosque – first reported in this column two years ago (*Eye* 1219) and forensically examined by Andrew Gilligan on Channel 4's *Dispatches* back in February.

In the blowback from *Dispatches*, Lutfur was ousted as Labour group and council leader in May. He then put his name forward for nomination as the party's mayoral candidate and became an unlikely martyr after the London Labour party twice removed him from the list of candidates. Lutfur went to court to remain on the list and then romped home in a poll of local party members. Labour's national executive committee then dumped him as candidate, so Lutfur declared he would stand as an independent – shades of Ken Livingstone and the London mayoral race back in 2000.

Playing the Frank Dobson role as doomed-to-lose official candidate is Lutfur's replacement as council leader, Helal Abbas, who has little democratic legitimacy because he was only the local membership's third choice, with 157 votes to Lutfur's 433. Second-placed John Biggs, who unlike Abbas comes with no embarrassing baggage, won 251 members' votes. He is assumed to have been passed over because he is, er, white.

Abbas, a former bankrupt, is hardly a breath of fresh air, having appeared in this column on numerous occasions over the past decade. In a previous incarnation as council leader in 2003 he won the *Eye*'s prestigious "brass-necked councillor of the year" award for pocketing a 49 percent rise in allowances (*Eye* 1096) and ungraciously responded to the accolade by declaring that *Eye* readers were not "sane-minded" and should "get a life" (*Eye* 1099).

During his three years at the helm up to 2005, he took on the mantle of fraud-buster and police opened investigations into four council-funded organisations. Some of the shine came off this when leaked documents from a Housing Corporation investigation into allegations of electoral fraud at a housing association referred to a certain "Candidate A" who had used "votes" from an out-of-date register – which included the names of dead people – in an attempt to win a seat on the association's board (*Eye* 1133). Abbas was asked on at least four occasions if he was "Candidate A" – and each time strangely lost the power of speech.

PS: Labour has purged those Tower Hamlets councillors – eight of them – who supported Lutfur's mayoral candidacy. These martyrs to principle include Rania Khan and Oliur Rahman,

who were originally elected as Respect councillors in 2006. They then left to join a breakaway group called Respect: Independent Party (RIP – geddit?). At the London Assembly elections in 2008 the pair stood for the Left List but were then persuaded by Lutfur to join Labour last year. Principles – now you see 'em, now you don't!

● **MORE evidence of the gentle ride given to developers by Tory Cotswold district council (*Eyes passim*).**

Residents of Fairford, Gloucestershire, who feared that another lakeside development of holiday homes would ruin an area at the edge of the town regarded by English Nature as an important wildlife habitat, were mollified somewhat by a "Section 106" agreement that would give residents of Fairford and surrounding villages exclusive use of an impressive new swimming pool and leisure centre at the heart of the scheme.

Alas, the deal, brokered by senior council planning officer Mike Napper with property developer Mark Savage, turns out not to be worth the paper it's written on. The small print reveals that Savage's company, Cygnet, is under no obligation to build the pool until it has completed 130 of the 140 planned holiday homes (or "pavilions", as they are pretentiously advertised). Should Savage regrettably decide that 140 homes is, say, 11 more than the market can bear in the current climate, there may well be no leisure centre or pool after all. Just fancy that!

BUFFERS' BUFFET

ANGRY scenes at the AGM of Tory Kensington and Chelsea council's tenant management organisation (TMO), the "almo" which manages the royal borough's 9,000 council properties.

The normally staid proceedings broke up in chaos when the chairman, Reg Kerr-Bell, called a halt rather than take a vote of no confidence in the board.

Years of grievances on the part of K&C tenants centre on poor governance and questionable financial practices by board members. Tenants would like to know, for example, why money set aside for a pensioners' tea party was spent on an agreeable dinner, attended by at least two board members, at an Italian restaurant.

Another sore point is the failure of the TMO adequately to monitor the £42m it was given by central government to bring properties up to the "decent homes standard", or to account for a very real £9m overspend which was blithely dismissed at last year's AGM as a "myth".

Last year the council agreed to an independent investigation, to be conducted by Maria Memoli, a solicitor who serves on various professional governance committees of the Law Society. Memoli's report duly identified 28 causes for concern, including leaseholders being billed for the upkeep of a "private road" that was actually owned by the council; management fees varying from estate to estate with no explanation; records disappearing; and board members allegedly getting



"What a nightmare! At this horrific rate of decline we'll be able to afford a starter home in a mere ten or fifteen years!!!"

preferential treatment when it came to getting repairs done. Tenants' anger grew after the council sat on Memoli's findings for six months before kicking them into the long grass.

Since 2007 tenants have made numerous unsuccessful attempts to call extraordinary general meetings to hold the board to account. In December 2008, the board changed the rules so that 250 signatories, rather than 50, were required for an EGM.

So heated did last month's meeting become that the splendid buffet laid on by the council went untouched. Officers must now attempt to reconvene the meeting, bearing in mind that an exotic fruit brochette may become an offensive weapon in the wrong hands.

● **COUNCIL workmen in Salford have been stencilling notices on "tinned up" empty houses awaiting demolition. "All materials of value have been removed," they sternly warn potential thieves in large black letters. And then underneath, in the same typeface: "So fuck off."**

The *Eye* asked the council to confirm that this was, of course, the work of pranksters rather than council workers. The council's spokesperson said: "Once [we were] aware of the graffiti it was removed" – which does not exactly answer the question. Perhaps it's the only language they understand.

JOINT PAINS

OUTSOURCING every service in sight is all the rage in local government, particularly among Tory councils such as Barnet and Suffolk who claim that the no-frills "easyCouncil" model is the way to save a fortune for the taxpayer. If only it were that simple.

Three years after Somerset county council, Avon & Somerset police and Taunton Deane borough council established a £500m joint venture company with IBM to carry out "back office" functions, the million people they serve are still wondering if and when they will see any real savings.

In its first year Southwest One (SWO) lost £2.5m and was fined for late delivery of its accounts. The past year hasn't been a triumph either. Companies House is again waiting for a late annual report – although SWO has just revealed it made a loss of £16.5m.

But that's OK, according to chairman Sir Jay Tidmarsh, because "ventures like these require up-front investment in the early stages as major new systems and working practices are introduced". He remains confident that "after a demanding set-up period, Southwest One is now well positioned to deliver continued benefits".

Yes, but when? Southwest One is supposed to save £200m over 10 years. So far Somerset has clocked up savings of just £2.5m. No wonder, then, that the Audit Commission mused last month about "a lack of clarity as to how the partnership will secure benefits".

Somerset's financial position is now so dire it has announced cuts of £75m and 1,500 redundancies. Those to be sacked will get their redundancy notices when a period of consultation expires... on 25 December!

IT'S GRIM UP NORTH LONDON

KNIFE & PACKER

