

LONDON BOROUGH OF TOWER HAMLETS

DECISIONS OF THE COUNCIL

HELD AT 7.05 P.M. ON WEDNESDAY, 22 FEBRUARY 2017

**THE COUNCIL CHAMBER, 1ST FLOOR, TOWN HALL, MULBERRY PLACE, 5
CLOVE CRESCENT, LONDON, E14 2BG**

1. APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of Councillor Gulam Kibria Choudhury.

Apologies for lateness were received on behalf of Councillors Julia Dockerill, Joshua Peck, Amina Ali and Rachel Blake.

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS

No declarations of Disclosable Pecuniary Interests were made.

3. TO RECEIVE ANNOUNCEMENTS (IF ANY) FROM THE SPEAKER OF THE COUNCIL OR THE CHIEF EXECUTIVE

Please see the minutes.

4. TO RECEIVE PETITIONS

4.1 Petition regarding discrimination to women and minority groups

Apsana Begum and Catherine O'Mahony addressed the meeting on behalf of the petitioners, and responded to questions from Members. Councillor Sirajul Islam Statutory Deputy Mayor and Cabinet Member for Housing Management & Performance then responded to the matters raised in the petition.

DECISION

That the petition be referred to the Corporate Director, Resources for a written response within 28 days.

(Action by: Zena Cooke, Corporate Director, Resources)

4.2 Petition regarding the Council Tax

Sultana Begum and Hugo Pierre addressed the meeting on behalf of the petitioners, and responded to questions from Members. Councillor David Edgar, Cabinet Member for Resources then responded to the matters raised in the petition.

DECISION

That the petition be referred to the Corporate Director, Resources for a written response within 28 days.

(Action by: Zena Cooke, Corporate Director, Resources)

4.3 Petition regarding Cuts to Children's Services

Candace Macintyre addressed the meeting on behalf of the petitioners, and responded to questions from Members. Mayor John Biggs then responded to the matters raised in the petition.

DECISION

That the petition be referred to the Corporate Director, Resources for a written response within 28 days.

(Action by: Zena Cooke, Corporate Director, Resources)

5. BUDGET AND COUNCIL TAX 2017/18

Mayor John Biggs **moved**, the budget proposals of the Mayor and Executive as set out in the agenda pack. Councillor David Edgar **seconded** the proposals.

Three amendments were moved as follows:

- (i) Amendment **proposed** by Councillor Ohid Ahmed and **seconded** by Councillor Oliur Rahman
- (ii) Amendment **proposed** by Councillor Andrew Wood and **seconded** by Councillor Chris Chapman
- (iii) Amendment **proposed** by Councillor Rabina Khan and **seconded** by Councillor Abdul Asad. [Note – a minor amendment was noted to the tabled paper]

Following debate, the amendment proposed by Councillor Ohid Ahmed was put to a recorded vote and was **defeated**.

The amendment proposed by Councillor Andrew Wood was put to a recorded vote and was **defeated**.

The amendment proposed by Councillor Rabina Khan was put to a recorded vote and was **defeated**.

The substantive budget proposals were then put to a recorded vote and were **agreed**.

DECISIONS

That Council: -

General Fund Revenue Budget and Council Tax Requirement 2017-18

- To agree a General Fund revenue budget of £338.896m and a total Council Tax Requirement for Tower Hamlets in 2017-18 of £85.836m as set out in the table below.

<u>Service Area</u>	Total 2016-17 £'000	Savings		Growth		Adjustments £'000	Total 2017-18 £'000
		Approved £'000	New £'000	Approved £'000	New £'000		
Health, Adults & Community	93,150	(241)	(3,012)	3,403	419	-	93,719
Public Health	35,314	-	(678)	(1,354)	-	1,553	34,835
Children Services	97,641	-	(2,193)	419	5,680	120	101,667
Place	69,438	-	(1,944)	658	610	1,797	70,559
Governance	9,731	-	(4)	-	563	-	10,290
Resources	17,146	-	(4,665)	250	580	1,667	14,978
Net Service Costs	322,421	(241)	(12,496)	3,376	7,852	5,137	326,049
Other Net Costs							
Capital Charges	7,854	-	-	(419)	-	-	7,435
Levies	1,742	-	-	-	-	-	1,742
Pensions	18,960	-	(1,000)	1,500	(1,500)	-	17,960
Other Corporate Costs	7,868	241	(6,900)	(4,815)	2,148	(21,123)	(22,581)
Total Other Net Costs	36,424	241	(7,900)	(3,734)	648	(21,123)	4,556
Inflation	3,141	-	-	5,500	(350)	-	8,291
Total Financing Requirement	361,985	-	(20,396)	5,142	8,150	(15,986)	338,896
Funding							
Government Funding	(68,665)	-	-	14,707	-	-	(53,958)
Retained Business Rates	(125,339)	-	(20,318)	14,350	-	-	(131,307)
Council Tax	(76,884)	-	(8,953)	-	-	-	(85,837)
Collection Fund Surplus							
- Council Tax	(1,278)	-	(1,000)	1,278	-	-	(1,000)
- Retained Business Rates	(2,597)	-	-	2,597	-	-	-
Core Grants							
- Public Health Grant	(36,883)	-	-	909	-	-	(35,974)
- NHB	(21,617)	-	(5,000)	7,287	-	-	(19,330)
- Education Services Grant	(3,799)	-	-	1,027	-	-	(2,772)
- Improved Better Care fund	-	-	(1,640)	-	-	-	(1,640)
- Adult Social Care Support Grant	-	-	(1,500)	-	-	-	(1,500)
- Local Lead Flood	-	-	(32)	-	-	-	(32)
Reserves							
- General Fund (Corporate)	(2,080)	-	-	-	-	(4,014)	(6,094)
- Earmarked (Directorate)	-	-	-	-	-	-	-
- General Fund (Smoothing)	-	-	-	-	-	-	-
Total Financing	(339,141)	-	(38,444)	42,155	-	(4,014)	(339,443)

2. To agree a Council Tax for Tower Hamlets in 2017-18 of £966.80 at Band D resulting in a Council Tax for all other band taxpayers, before any discounts, and excluding the GLA precept, as set out in the table below:-

This incorporates a 1.99% general increase on the previous year and a 3% increase in respect of the Adult Social Care 'Precept' announced by the government during its recent budget announcements.

BAND	PROPERTY VALUE		RATIO TO BAND D	LBTH COUNCIL TAX FOR EACH BAND £
	FROM £	TO £		
A	0	£40,000	6/9	644.54
B	40,001	52,000	7/9	751.96
C	52,001	68,000	8/9	859.38
D	68,001	88,000	9/9	966.80
E	88,001	120,000	11/9	1,181.65
F	120,001	160,000	13/9	1,396.49
G	160,001	320,000	15/9	1,611.34
H	320,001	And over	18/9	1,933.61

3. To agree that for the London Borough of Tower Hamlets in 2017-18:-
- (a) The Council Tax for Band D taxpayers, before any discounts, and including the GLA precept, shall be **£1,246.82** as shown below: -.

	£ (Band D, No Discounts)
LBTH	966.80
GLA	280.02
Total	1,246.82

- (b) The Council Tax for taxpayers in all other bands, before any discounts, and including the GLA precept, shall be as detailed in the table below: -

BAND	PROPERTY VALUE		RATIO TO BAND D	LBTH £	GLA £	TOTAL £
	FROM £	TO £				
A	0	40,000	6/9	644.54	186.68	831.22
B	40,001	52,000	7/9	751.96	217.79	969.75
C	52,001	68,000	8/9	859.38	248.91	1,108.29
D	68,001	88,000	9/9	966.80	280.02	1,246.82
E	88,001	120,000	11/9	1,181.65	342.25	1,523.89
F	120,001	160,000	13/9	1,396.49	404.47	1,800.97
G	160,001	320,000	15/9	1,611.34	466.70	2,078.04
H	320,001	And over	18/9	1,933.61	560.04	2,493.65

4. To approve the statutory calculations of this Authority's Council Tax Requirement in 2017-18, detailed in Appendix A to the motion, undertaken by the Corporate Director Resources (Chief Financial Officer) in accordance with the requirements of Sections 31 to 36 of the Local Government Finance Act 1992.
5. To note the Capital Strategy and the intention to undertake a comprehensive review of the Council's approach to the prioritisation and governance of capital expenditure based on the outcomes based budgeting methodology already adopted for the revenue elements of the MTFs.
6. To approve the Treasury Management Strategy Statement, the Annual Investment Strategy and the Minimum Revenue Provision Policy Statement as presented to Cabinet on 7 February 2017.
7. To approve the General Fund Capital and Revenue Budgets and Medium Term Financial Plan 2017-2020 as recommended by the Mayor in Cabinet on 7 February as set out in the report of the Mayor in Cabinet and summarised in the tables below.

Summary of Medium Term Financial Plan 2016-2020

	2016-17 £'000	2017-18 £'000	2018-19 £'000	2019-20 £'000
Net Service Costs	350,346	361,985	338,895	329,415
Growth				
- Approved	27,563	(16,344)	3,506	3,174
- New	-	8,500	(1,757)	-
Savings				
- Approved	(4,000)	-	-	-
- New	(17,423)	(20,396)	(15,460)	(15,773)
Inflation	5,500	5,150	4,231	4,440
Total Funding Requirement	361,985	338,896	329,415	321,256
Government Funding (RSG)	(68,665)	(53,958)	(43,795)	(33,281)
Retained Business Rates	(125,339)	(131,307)	(135,194)	(139,555)
Council Tax	(76,884)	(85,837)	(90,180)	(93,814)
Collection Fund Surplus				
- Council Tax	(1,278)	(1,000)	-	-
- Retained Business Rates	(2,597)	-	-	-
Core Grants	(62,299)	(61,248)	(48,807)	(51,378)
Earmarked Reserves (Mayoral priority)	(2,080)	(6,094)	(5,980)	(5,384)
Total Funding	(339,141)	(339,443)	(323,956)	(323,413)
Budget Gap (excluding use of Reserves)	22,845	(548)	5,459	(2,157)
Unallocated Contingencies	-	-	-	-
Budgeted Reserve Contribution GF smoothing (Approved Feb 2016)	(22,845)	-	-	-
Budgeted Reserve Contribution	-	548	(5,459)	2,157
Unfunded Gap	-	-	-	-
	31/03/2017	31/03/2018	31/03/2019	31/03/2020
Balance on General Fund Reserves (£000s)	31,100	31,648	26,189	28,346

Detailed Analysis of the Medium Term Financial Plan by Service Area 2016-17 to 2019-20

Service	Total	Savings		Growth		Adjustments	Total	Savings		Growth		Adjustments	Total	Savings		Growth		Adjustments	Total
	2016-17 £'000	Approved £'000	New £'000	Approved £'000	New £'000	£'000	2017-18 £'000	Approved £'000	New £'000	Approved £'000	New £'000	£'000	2018-19 £'000	Approved £'000	New £'000	Approved £'000	New £'000	£'000	2019-20 £'000
Health, Adults & Community	93,150	(241)	(3,012)	3,403	419	-	93,719	-	(1,985)	2,057	-	-	93,791	-	(2,245)	-	2,125	-	93,672
Public Health	35,314	-	(678)	(1,354)	-	1,553	34,835	-	(749)	(581)	-	-	33,505	-	(411)	(730)	-	-	32,364
Children Services	97,641	-	(2,193)	419	5,680	120	101,667	-	(2,012)	-	(135)	-	99,519	-	(2,967)	-	(414)	(370)	95,768
Place	69,438	-	(1,944)	658	610	1,797	70,559	-	(1,485)	714	(136)	(114)	69,538	-	(2,921)	-	577	(225)	66,969
Governance	9,731	-	(4)	-	563	-	10,290	-	(4)	-	-	-	10,286	-	(4)	-	-	-	10,282
Resources	17,346	-	(4,665)	250	580	1,667	15,178	-	(3,275)	-	(252)	-	11,651	-	(2,525)	-	-	(1)	9,125
Net Service Costs	322,621	(241)	(12,496)	3,376	7,852	5,137	326,249	-	(9,510)	2,190	(523)	(114)	318,291	-	(11,074)	(730)	2,288	(596)	308,180
Other Net Costs																			
Capital Charges	7,854	-	-	(419)	-	-	7,435	-	-	-	-	-	7,435	-	-	-	-	-	7,435
Levies	1,742	-	-	-	-	-	1,742	-	-	-	-	-	1,742	-	-	-	-	-	1,742
Pensions	18,960	-	(1,000)	1,500	(1,500)	-	17,960	-	-	1,000	(1,000)	-	17,960	-	-	1,000	(1,000)	-	17,960
Other Corporate Costs	7,668	241	(6,900)	(4,815)	2,148	(21,123)	(22,781)	-	(5,950)	430	(234)	-	(28,535)	-	(4,700)	3,500	(1,288)	-	(31,023)
Total Other Net Costs	36,224	241	(7,900)	(3,734)	648	(21,123)	4,356	-	(5,950)	1,430	(1,234)	-	(1,398)	-	(4,700)	4,500	(2,288)	-	(3,886)
Inflation	3,141	-	-	5,500	(350)	-	8,291	-	-	5,500	(1,269)	-	12,522	-	-	5,500	(1,060)	-	16,962
Total Financing Requirement	361,985	-	(20,396)	5,142	8,150	(15,986)	338,896	-	(15,460)	9,120	(3,026)	(114)	329,415	-	(15,774)	9,270	(1,060)	(596)	321,256
Funding																			
Government Funding (RSG)	(68,665)	-	-	14,707	-	-	(53,958)	-	-	10,163	-	-	(43,795)	-	-	10,514	-	-	(33,281)
Retained Business Rates	(125,339)	-	(20,318)	14,350	-	-	(131,307)	-	(4,100)	214	-	-	(135,194)	-	(4,600)	238	-	-	(139,555)
Council Tax	(76,884)	-	(8,953)	-	-	-	(85,837)	-	(4,343)	-	-	-	(90,180)	-	(3,634)	-	-	-	(93,814)
Collection Fund Surplus		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Council Tax	(1,278)	-	(1,000)	1,278	-	-	(1,000)	-	-	1,000	-	-	-	-	-	-	-	-	-
- Retained Business Rates	(2,597)	-	-	2,597	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Core Grants																			
- Public Health Grant	(36,883)	-	-	909	-	-	(35,974)	-	-	581	-	-	(35,393)	-	-	730	-	-	(34,663)
- NHB	(21,617)	-	(5,000)	7,287	-	-	(19,330)	-	(5,000)	20,407	-	-	(3,923)	-	(5,000)	5,741	-	-	(3,182)
- Education Services Grant	(3,799)	-	-	1,027	-	-	(2,772)	-	-	1,026	-	-	(1,746)	-	-	1,026	-	-	(720)
- Improved Better Care fund	-	-	(1,640)	-	-	-	(1,640)	-	(6,071)	-	-	-	(7,711)	-	(5,066)	-	-	-	(12,777)
- Adult Social Care Support Grant	-	-	(1,500)	-	-	-	(1,500)	-	-	1,500	-	-	-	-	-	-	-	-	-
- Local Lead Flood	-	-	(32)	-	-	-	(32)	-	(2)	-	-	-	(34)	-	(2)	-	-	-	(36)
Reserves																			
- General Fund (Corporate)	(2,080)	-	-	-	-	(4,014)	(6,094)	-	-	-	-	114	(5,980)	-	-	-	-	596	(5,384)
- Earmarked (Directorate)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- General Fund (Smoothing)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Financing	(339,141)	-	(38,444)	42,155	-	(4,014)	(339,443)	-	(19,517)	34,891	-	114	(323,956)	-	(18,302)	18,249	-	596	(323,413)

APPENDIX A

**LONDON BOROUGH OF TOWER HAMLETS
COUNCIL 22nd FEBRUARY 2017
BUDGET & COUNCIL TAX STATUTORY CALCULATIONS**

SETTING THE AMOUNT OF COUNCIL TAX FOR THE COUNCIL'S AREA

1. That the revenue estimates for 2017-18 be approved.
2. That it be noted that, at its meeting on 10th January 2017, Cabinet calculated 88,784 as its Council Tax base for the year 2017-18 [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")]
3. That the following amounts be now calculated by the council for the year 2017-18 in accordance with Section 31 to 36 of the Local Government Finance Act 1992 as amended and the Local Authorities (Alteration of Requisite Calculations) (England) Regulations 2011:
 - (a) £1,289,163,591 Being the aggregate of the amounts which the council estimates for the items set out in Section 31A(2) of The Act. [Gross Expenditure]
 - (b) £1,203,326,974 Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of The Act. [Gross Income]
 - (c) £85,836,618 Being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council, in accordance with Section 31A(4) of The Act, as its council tax requirement for the year. (Item R in the formula in Section 31B of The Act). [Council Tax Requirement]
 - (d) £966.80 Being the amount at 3(c) above (Item R), all divided by Item T (2 above), calculated by the Council, in accordance with Section 31B(1) of The Act, as the basic amount of its Council Tax for the year. [Council Tax]

APPENDIX A

**LONDON BOROUGH OF TOWER HAMLETS
COUNCIL 22nd FEBRUARY 2017
BUDGET & COUNCIL TAX STATUTORY CALCULATIONS**

(e)	VALAUTION BAND	LBTH £
	A	644.54
	B	751.96
	C	859.38
	D	966.80
	E	1,181.65
	F	1,396.49
	G	1,611.34
	H	1,933.61

Being the amount given by multiplying the amount at 3(d) above by the number which, in the proportion set out in Section 5(1) of The Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of The Act, as the amount to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

APPENDIX A

**LONDON BOROUGH OF TOWER HAMLETS
COUNCIL 22nd FEBRUARY 2017
BUDGET & COUNCIL TAX STATUTORY CALCULATIONS**

4. That it be noted that for the year 2017-18 the Greater London Authority has stated the following amounts in precepts issued to the council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:-

VALUATION BAND	GLA £
A	186.68
B	217.79
C	248.91
D	280.02
E	342.25
F	404.47
G	466.70
H	560.04

5. That, having calculated the aggregate in each case of the amounts at 3(d) and 4 above, the council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2017-18 for each of the categories of dwellings shown below:-

VALUATION BAND	TOTAL COUNCIL TAX £
A	831.22
B	969.75
C	1,108.29
D	1,246.82
E	1,523.89
F	1,800.97
G	2,078.04
H	2,493.65

6. That the council hereby determines in accordance with Section 52ZB of the Local Government Finance Act 1992, that its relevant basic amount of Council Tax for 2017-18 is not excessive in accordance with the principles approved by the Secretary of State under Section 52ZC of the Local Government Finance Act 1992. As the billing authority, the council has not been notified by a major precepting authority that its basic amount of Council Tax for 2017-18 is excessive and that the billing authority is not required to

hold a referendum in accordance with Section 52ZK of the Local Government Finance Act 1992

(**Action by:** Zena Cooke, Corporate Director, Resources)

6. REVIEW OF PROPORTIONALITY AND ALLOCATION OF PLACES ON COMMITTEES AND PANELS OF THE COUNCIL 2016/17

The Council considered the report of the Acting Corporate Director, Governance and Interim Monitoring Officer (circulated in a supplementary agenda) reviewing the Council's proportionality and allocation of places on committees following recent changes to political groups on the Council. The recommendations were put to the vote under the guillotine procedure at Council Procedure Rule 9.

DECISION:

1. That the review of proportionality as at section 3 of the report be noted and the allocation of seats on committees and panels for the remainder of the Municipal Year 2016/17 be agreed as set out at paragraph 4.2 of the report.
2. That the committees and panels established for the municipal year 2016/17 as listed in paragraph 4.2 be noted as agreed at the Annual Council meeting held on Wednesday 18 May 2016.
3. That Members and deputies be appointed to serve on those committees and panels in accordance with nominations from the political groups to be notified to the Acting Corporate Director, Governance.
4. That the Acting Corporate Director, Governance be authorised to approve the appointment of ungrouped Councillors to any committee places not allocated by the Council to a political group, after consultation with those Councillors and the Speaker of the Council.
5. That the proposed new committee structures for the Overview and Scrutiny and General Purposes Sub-Committees be agreed as set out in Paragraph 4.4 of the report

(**Action by:** Graham White Acting Corporate Director and Interim Monitoring Officer, Governance)

The meeting ended at 10.45 p.m.