

Independent Group Budget Motion Amendment

Proposer: Councillor Ohid Ahmed

Seconded: Councillor Oliur Rahman

The Council of the London Borough of Tower Hamlets resolves to:

- ❖ Adopt the Independent Group's Alternative Budget Proposal titled "***Aspire to Serve the Many, Don't Save for the Few***", which calls upon the borough to:
 - Invest in frontline services
 - Invest in free social care for the elderly thereby supporting the NHS
 - Invest in Young People
 - Invest in Community Safety and Policing, reversing this administration's cuts in Police
 - Invest in tackling Drugs, Gangs, Hate crimes and Knife Crime
 - Invest in public nurseries to help working mothers and enhance our children's future
 - Properly fund the Tower Hamlets Youth Foundation
 - Support residents' wishes on local parking
 - Invest in effective refuse removal and tackling vermin in the borough
 - Invest in protecting the environment and green/renewable schemes
 - Use reserves, S106, CIL, RTB and other funding wisely rather than cut vital services for residents.

Enclosed are the detailed fully costed proposals reversing the cuts made to services and the cuts in needless or unwise expenditure which will pay for these. The Group's budget, which has been scrutinised by the Section 151 Officer/Corporate Director for Resources shows that resuming the prudent but citizen-focused and service-providing approach adopted by former Mayor Lutfur Rahman and his former Deputy Mayor Cllr Ohid Ahmed actually adds to council's reserves and finances, boosting the borough's economy while helping its neediest residents and providing a sound and ambitious vision for Tower Hamlets.

In Support of this Alternative Budget, this Council notes that:

A year ago, the Independent Group proposed a fully costed Anti-Austerity Budget but our pleas to act differently fell on deaf ears and the residents of Tower Hamlets suffered the consequences of Biggs's Big Failures and Cuts.

The Biggs Budget betrays the pledges he made when he was running for the position. His vote-catching promises on transparency, crime, anti-social behaviour, drugs and community safety are all broken and in tatters.

The Lutfur Rahman Administration had an enviable record of delivery for residents, working hard to protect services, investing in key areas, and planning well ahead for a rainy day, but Mayor Biggs spurned its example. Mayor John Biggs has had alternative options since 2015 in three budgets, and he could have stood up for residents, protected services, and supported staff, but he chose instead to promote his own austerity agenda which, like the government is, targeted the weak and vulnerable.

Despite the austerity cuts the Lib-Dem/Conservative Coalition Government had imposed on the borough, the previous administration of Mayor Lutfur Rahman, Deputy Ohid Ahmed and former finance chief Alibor Choudhury had achieved efficiency savings of some £100 million between 2010-15 while protecting our residents as far as possible and Mayor Biggs inherited a record £409 million in reserves from his predecessors, who had planned to protect community services and to help our residents in the face of anticipated Whitehall austerity, which has been championed by Mayor John Biggs in Tower Hamlets since 2015.

In contrast, since taking office in 2015, although he ran for Mayor as the *Labour* candidate, Biggs has doggedly pursued a failed Neoliberal policy of austerity and budget cuts despite getting significant additional funds from Whitehall. He has pursued privatisation in the name of outsourcing even as Carillion's collapse shows the folly of such policies. Of course, Tower Hamlets has had its own mini Carillion – Life Line – a company that the Biggs administration contracted with just six months before its own lifeline ran out and went bust.

The Biggs Budget epitomises financial illiteracy and incompetence. The current Administration has chosen to cut vital services and make people redundant despite the reserves, other monies, and unanticipated/additional funding from Whitehall.

The New Resources available to Mayor John Biggs include:

- In 2016, £232m from the Government - with an extra £13.2m for decent homes.
 - In 2016/17, Government also gave the Biggs administration £3.86m additional funding, more than originally expected in the 2016/17 settlement.
 - In 2017, £124m budgeted increase in the local business rates. Over £8m collected now.
 - In 2017, another £5.36m of New Homes Bonus – over £100m in total - was paid for the achievements and hard work of former Mayor Rahman and Deputy Ohid Ahmed.
 - In 2018, in addition to the core budget grant from the government, the combined total (CIL, S106, RTB, IBCF, business rates and the new adult social care funding announced in February) is £235,070,000 all of which at the Mayor's disposal.
 - While the government forced John Biggs to drop tenants' rent by 1%, Biggs hiked tenants' service charge by 4% this year alone in his budget, and to rub in his callousness, he removed Council Tax Support from the most vulnerable and struggling self-employed residents with a massive cut of £1.4m.
- ❖ Instead of using these resources to serve the many, Biggs' Budget choices are totally at odds with the values and policies of Labour leader Jeremy Corbyn and Shadow Chancellor John McDonnell. John Biggs' spectacularly failed Tower Hamlets and betrayed its voters. His lackluster leadership, his savage cuts and incompetence have had measurable results. Most of Biggs' Budget cuts disproportionately target upon women, children, and young people and faith communities. He slashed budgets for Adults/Social Care, Youth Services and for Child Services so, for example, in 2017 OFSTED has relegated Tower Hamlets' previous "good" rating under our administration on child protection and welfare

to “inadequate” – the worst possible rating due to the failure Biggs administration. The improvements had to be made and the minor improvements achieved by our officers since are welcome. However, the carefully spun press release on this issue, just before the election, promoting the administration is an insult to the intelligence of people of Tower Hamlets given that the current administration was solely responsible for the fiasco due to the failure of Labour’s political leadership in Children Services, something even singled out by OFSTED.

Mayor John Biggs can’t absolve himself of responsibility and failure of his leadership.

Labour’s Choices of the £75m Cuts to Vital Residents’ Services include:

- ❖ £7.5 million cut from Adults Services;
- ❖ £7.2 million from Children’s Services;
- ❖ £1m cut from for Community Safety Services;
- ❖ £4.3m cut from Youth Services;
- ❖ £1.4m cut in the Council Tax Support for the most vulnerable and struggling self- employed residents;
- ❖ Closure of Incontinence Laundry, affecting the most-needy to “save” a paltry £41k;
- ❖ Removal of free homecare;
- ❖ New charges for Elderly Social Care and Learning Disability Users which will disproportionately hit over 65s (58%), women (55%) as well as the faith communities – e.g. Christians (38%) and Muslims (29%);
- ❖ Removal of funding for Lollypop Ladies – putting children at risk;
- ❖ Cuts to Child, Adolescent and Mental Health Services – despite campaign promises to protect by Labour when in opposition;
- ❖ Removal of Burial Subsidy for poor residents;
- ❖ Defunding study trips to Gorsefield Study Centre for school children - affecting the most disadvantaged children who are not able to pay;

- ❖ Closure of 18 youth centres, abandoning our young people;
- ❖ Cutting teaching and university subsidies;
- ❖ Closure of Queen Mary nursery despite pre-election pledge of protection; and
- ❖ Under this administration, the borough has shot to the top of the table for the most rats and mice in London while reduced its recycling rates compared with 2014/15.

Failure to Protect!

Under Labour Mayor John Biggs, there is not just incompetence to provide the basic services, there's lack of leadership, there's abrogation of responsibility and there's failure to protect the most vulnerable in our society.

In April 2017, Metropolitan Police data and media reports showed a grim rise in crime in Tower Hamlets over the previous 12 months of the Biggs-led Labour administration:

- ❖ In December 2015, John Biggs slashed the number of council-funded police officers from 40 (under the previous administration) to just 6 under John Biggs – a cut of 34. Mayor John Biggs again refused to fund them in February 2016 budget despite warning and requests by Cllr Ohid Ahmed and residents. Under pressure, John Biggs eventually brought it back to 39, but only 20 FTE police officers are operational now, 14 of which dedicated only to THH estates - and only now - with elections approaching, has the Mayor suddenly found the magic money tree to fund our original policy of partnership policing.
- ❖ Tower Hamlets is now second highest borough for acid attacks and homicides.
- ❖ There were 6 murders in 2016/17 in the borough, compared with four in 2015/16.
- ❖ Sexual offences increased 17% on the year before, including 268 rapes.
- ❖ Gun crime increased by 16%, knife crime increased by 8%.

- ❖ There was a sharp rise in hate crime over the previous year: Homophobic incidents grew by 39% and Islamophobic hate crime soared 59% while other racist and religious hate crimes increased by 43%.
- ❖ Labour Mayor of London has shut down police counter, removed some officers and slashed dedicated policing command for Tower Hamlets. It is not just the Government who are making cuts. Where is the outrage at the lack of leadership and hypocrisy of Tower Hamlets and in London Labour Mayors?
- ❖ In 2015/16 when he had two jobs: GLA and Mayor of Tower Hamlet, John Biggs blamed London Mayor for policing cuts – not the Government – yet he fails to do now – why the double standards?

Put A Roof Over Residents, Not A Cap on Spending

A lack of affordable housing joins crime and anti-social behaviour as primary concerns for our residents, as highlighted by the Annual Residents Survey 2017 and Community Safety Partnership Plan 2017-21 consultation. Mayor John Biggs has failed on both these accounts.

- ❖ Under the previous administration of Mayor Rahman from 2010-2015 Tower Hamlets built 5,590 affordable homes, the highest number in the country, and its achievement attracted the highest financial reward for the Council from Whitehall.
- ❖ In contrast, Biggs failed to meet his council-homes building target of 1,000 and is now desperately counting all the homes approved by the previous administration to falsely steal credit of their efforts. In fact, John Biggs has yet to deliver a single regeneration project that his predecessor had not initiated. The Council's own figures confirm Tower Hamlets delivered 1,070 affordable homes in 2016/17 and another 1,073 in 2015/16 – all of them approved by the previous administration.
- ❖ A previous Tower Hamlets Labour administration sold its housing stock to RSLs and now astonishingly, some of those properties are being bought back by John Biggs, using £60 millions of taxpayers' money without proper

scrutiny (despite some of these homes being not fit for purpose) to make up for his lack of action and leadership so he can claim these homes towards his target.

- ❖ While the majority of Biggs' budget cuts affect women, children, young people, BAME and faith communities but they also affect union workers and staff due to decisions taken by the Biggs Administration, According to the Council's own figures, since June 2015 and including this budget redundancies, about 2,000 staff, half of them BAME, have or would have left their posts or been made redundant.
- ❖ Labour affiliated unions are so upset about the Biggs-led administration's conduct of this situation that they are publicly petitioning John Biggs particularly about the administration's decision particularly in regard to removal of BAME staff and its restructures in SPP, Grants and Third Sector which will essentially mean that all those staff are at risk.

Transparency and Accountability

Despite grand claims, we have seen that transparency, accountability and democracy have their limits under this administration with a local Labour-supporting businessman who publicly hosted a campaign meeting at his business and campaigned for Mayor John Biggs in 2015 mayoral election and for Labour in general with *The Sunday Times* alleging he asked for a £2m bribe for the permission of multi-million property development, bringing as evidence a secret recording of the conversation. The National Crime Agency is now investigating the serious criminal allegation. For five months, after the developer told Mayor John Biggs about the £2m bribery demand, Tower Hamlets Council failed to report the approach to the police as council policy and ethics demanded. This is all while Mayor John Biggs is the Executive Mayor of the Council. The Council's whistle blowing policy says: *"if there is evidence of criminal activity then the investigation officer will be obliged to inform the police."*

Mayor Biggs himself is accused of taking dictatorial decisions on massive projects behind closed doors in secret - £119m of public money with £60m to buy back

properties his group previously sold, not to mention the huge controversy over about £1m funding gifted to Rich Mix controlled by his party colleagues.

The Biggs Budget betrays the people of Tower Hamlets. It reneges on pledges made before the Mayor was elected. This is the time for a bold investment in Police, Community Safety, the Environment, Youth Services, Housing and Jobs, a time to ensure that our investment in the Environment provides a waste collection, recycling and Bins Service that residents appreciate and eliminates vermin in a decisive way.

Instead of sacrificing at the altar of austerity as John Biggs is doing, our Alternative Budget offers investment in our shared Community, protecting our Elderly, nurturing our Young People, investing in Jobs and our Environment. Austerity has failed. We need to invest in the future. We need to “Aspire to be the Best.”

The Alternative – “Aspire to be the Best” Budget

A positive way forward is to invest in our town centres, in our communities, in our people. Our alternative budget, like our Whitechapel Vision and Master Plan, is innovative and forward thinking, yet simple. More importantly it works and is fully-costed. It will:

- ❖ Create new jobs
- ❖ Fight crime hard
- ❖ Develop a thriving third sector
- ❖ Invest in quality leisure and green spaces
- ❖ Develop a new state of the art digital innovation quarter
- ❖ Invest in Young People
- ❖ Stop the rise in Child Poverty and invest to reduce it
- ❖ Develop a diverse, talented and representative workforce

Detailed costings and funding proposals are attached and should be read in conjunction with this budget amendment motion from the Independent Group.