

LONDON BOROUGH OF TOWER HAMLETS
SECOND BUDGET COUNCIL MEETING
THURSDAY 5th MARCH 2015
BUDGET AND COUNCIL TAX 2015/16:
FURTHER CONSIDERATION BY THE COUNCIL
REPORT OF THE SERVICE HEAD,
DEMOCRATIC SERVICES

1 INTRODUCTION

- 1.1 At the Budget Council Meeting on 25th February 2015, the Council considered the Mayor and Executive's budget proposals approved on 4th February and two amendments to those proposals, from the Labour Group and the Conservative Group respectively.
- 1.2. The Council did not approve the Mayor's budget proposals. The amendment proposed by the Labour Group members was agreed. The amendment proposed by the Conservative Group members was defeated.
- 1.3 The process to be followed in circumstances where the Council does not approve the budget proposals of the Executive is set out in the Local Authorities (Standing Orders) (England) Regulations 2001, the provisions of which are incorporated into the Budget and Policy Framework Procedure Rules in the Council's Constitution. The regulations provide that, in respect of an authority with a Mayor and Cabinet executive, the authority must "inform the elected mayor of any objections which it has to the executive's estimates or amounts and must give to him instructions requiring the executive to reconsider, in the light of those objections, those estimates and amounts in accordance with the authority's requirements" (Part III, paragraph 9).
- 1.4 The authority must then specify a period of at least five working days within which the elected mayor may either submit a revision of his budget proposals in accordance with the authority's requirements; or inform the authority of any disagreement that he has with any of its objections, giving reasons in each case.

2. MAYOR TO RESPOND TO THE AUTHORITY'S OBJECTIONS

- 2.1 In accordance with the above requirements, the Mayor has been formally advised of the Council's objections to his budget proposals in the form of the Labour Group amendment that was agreed at the Budget Council Meeting. Within a period of five working days the Mayor must reconsider those budget proposals in accordance with the objections and submit his final budget

proposals to the second Budget Council Meeting. Those revised proposals may at the Mayor's discretion include some or all of the elements of the amendment agreed by the Council at the first budget meeting.

- 2.2 The Mayor's revised budget proposals will be circulated to Councillors as soon as they are available.
- 2.3 The Mayor's revised proposals will form the Motion for debate at the second Budget Council meeting and the amendment agreed on 25th February as attached, will again represent the amendment for that debate. For the amendment to succeed at the second Budget Meeting it will require two-thirds of those Members present and voting to vote in favour of the amendment.
- 2.4 Officer advice on the Mayor's budget proposals and on each element of the agreed budget amendment has been received by Members in the agenda for the first Budget Council Meeting and papers tabled at that meeting. Members are requested to bring those documents with them to the second Budget meeting and to take account of the information therein in making their decision.

APPENDICES ATTACHED

Appendix 1 – Budget amendment proposed by Labour Group Councillors, agreed by majority vote at Council on 25th February 2015 and forming the proposed amendment to the budget for debate on 5th March 2015.

APPENDIX 1:-

Labour Group Budget Amendment - agreed at Budget Council Meeting, 25th February 2015

Proposer: Cllr Rachael Saunders

Seconder: Cllr Ayas Miah

This Council believes:

- That Lutfur Rahman is failing the people of Tower Hamlets on the basics – he cannot keep the streets clean. Bulk waste charges have increased fly-tipping and he has proposed to cut monitoring of clean streets this year.
- Residents regularly complain that they are unable to report antisocial behaviour and noise nuisance out of hours, leaving their families suffering throughout the night.
- That Lutfur Rahman claimed he would not cut front line services. This budget contains multiple cuts to front line services to the most vulnerable.
- That these cuts include closing the council's in house homecare service, which has been opposed by this Labour Group at repeated budget meetings, and which has already been implemented, with swingeing redundancies.
- Lutfur Rahman is failing on community safety, with a fall in the number of police officers being funded by the Council, adding insult to the injury of Tory cuts to the police. Local people expect better, with concerns expressed to us about burglary and anti-social behaviour on the rise.
- That the Mayor must stop wasting public money on hopeless legal battles which are for his own personal benefit, with no thought for the needs of local people.
- That the Mayor's attempt to close four public-run nurseries was shameful and typifies his failure to protect vital frontline services.
- That we must tackle poverty. Tower Hamlets has the highest child poverty in the UK. It is the mission of the Labour Party that that must stop.
- That there is a great need in Tower Hamlets to bring people of different backgrounds together. That services to children are a great place to find common ground between parents and begin lifetime friendships for children.
- A Labour government elected in May 2015 would extend the hours of free childcare available for three and four year olds from 15 to 25 hours.
- That Lutfur Rahman's council has failed in delivering the current 15 hour 2 year old entitlement.

- That the Leaving Care Service is a vital frontline support to young people and should be protected from cuts.
- That increased resources are needed to respond to the unprecedented number of planning applications in Tower Hamlets as the borough goes through huge change and a further review of planning charges needs to be carried out to increase planning capacity.
- That the Labour Group recognises the vital importance of cultural provision in the borough and that the grants process is the appropriate route for provision at Kobi Nazrul.

This Council notes:

- The proposed cut of £140,000: 'Deliver more Streetcare monitoring through Champions and Volunteers' (Ref: CLC010).
- That there were 896 reported refuse and recycling missed collections in January 2015. This has risen from 456 in December 2014.
- That the number of Council funded police officers in the Partnership Task Force will fall from 25 to 16 from January 2016:
 - o Calendar year-end 2012: 25 officers
 - o Calendar year-end 2013: 25 officers
 - o Calendar year-end 2014: 25 officers
 - o Calendar year-end 2015: 25 officers
 - o Calendar year-end 2016: 16 officers
- The proposed cut of £427,000: 'Reduce Duplication in Leaving Care Service' (Ref: ESCW057).
- That two-thirds of two year olds in the borough are not receiving the 15 hours of free childcare that they are entitled to.

This Council resolves to adopt the following amendment to the Mayor's budget for 2015/16:

- Delete the funding for Mayoral advisers, saving the Council £350,000.
- Scrap the Mayoral car, saving £15,000.
- Implement a departmental top slice for communications spending (across CLC, D&R, ESWB), saving £200,000.
- Save £100,000 from the legal services budget.
- Delete the budget for Kobi Nazrul, saving £100,000.
- Save an additional £150,000 from the smoking cessation budget.

- Increase planning charges in order to increase in-house capacity and improve consultation.
- Reverse the cut to 'Deliver more Streetcare Monitoring through Champions & Volunteers', costing £140,000.
- Reverse the cut to 'Reduce duplication in Leaving Care Service', costing £427,000.
- Impose a 50% cut to the recurrent budget for the Annual Residents Survey – from £45,000 to £22,500.
- Invest £110,000 into a 24 hour noise service.
- Invest £10k into safe cycle storage
 - £5,000 for officers to identify sites for safe-cycle storage
 - £5,500 for implementation
- Provide £250,000 funding and support to incentivise schools to provide additional places for childcare provision for two year olds, so that more children receive the 15 hours of childcare they are currently entitled to.

#	Saving Proposal	Saving	Dir.
1	Delete funding for Mayoral advisers	£350,000	LPG
2	Scrap the Mayoral car	£15,000	LPG
3	Implement a top slice across departmental communications budgets	£200,000	LPG
4	Legal Services Budget	£100,000	LPG
5	Delete funding for Kobi Nazrul	£100,000	CLC
6	Additional savings from the smoking cessation budget	£150,000	ESW
7	Halve Annual Residents Survey Budget	£22,500	LPG
	Total	£937,500	

#	Spending Proposal	Cost	Dir.
8	Protect funding for street care monitoring	£140,000	CLC
9	Protect funding for the Leaving Care Service	£427,000	ESW
10	Invest in a 24-hour noise service	£110,000	CLC
11	Safe cycle storage – site identification and implementation	£10,500	CLC
12	Invest in Childcare Budget	£250,000	ESW
	Total	£937,500	