



TABLED DOCUMENTS

BUDGET COUNCIL MEETING

WEDNESDAY 25th FEBRUARY 2015

AMENDMENTS NOTIFIED IN ACCORDANCE WITH BUDGET MEETING PROCEDURE RULES

AGENDA ITEM NO. 5: BUDGET AND COUNCIL TAX 2015/16

Documents attached:

- 1. AMENDMENT PROPOSED BY COUNCILLOR RACHAEL SAUNDERS AND SECONDED BY COUNCILLOR AYAS MIAH (ON PINK PAPER) PLUS OFFICER COMMENTS ON THE PROPOSED AMENDMENT.**
- 2. AMENDMENT PROPOSED BY COUNCILLOR ANDREW WOOD AND SECONDED BY COUNCILLOR CRAIG ASTON (ON BLUE PAPER) PLUS OFFICER COMMENTS ON THE PROPOSED AMENDMENT.**

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Agenda Item 5

Labour Group Budget Amendment

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	

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE LABOUR PARTY

The following sets out comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

General Comments of the Chief Financial Officer

The proposals are deemed to be cost neutral in 2015/16, although there are likely to be some additional one-off costs associated with potential redundancies or the termination of contracts. These could be provided for within the Medium Term Financial Plan and funded through the use of general reserves.

Where savings proposals involve redundancies or service decommissioning, these will be subject to the Council's organisational change procedure and are unlikely to be implemented by the 1st April. Thus full year savings may not be realised in 2015/16, in which case, either the implementation of spending proposals will need can be delayed or general reserves used to mitigate the financial impact

General Legal Comments

Any further relevant legal comments are set out in the individual proformas dealing with each proposal

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE LABOUR PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Delete the funding for Mayoral Advisors – save £350,000.

Corporate Director's Comments

Under statute the Mayor has a right to a political advisor. Beyond that is a matter of Council's/Mayor's executive discretion under the constraints of the approved budget for the service.

Cutting this budget will save £350k per annum (recurrent). However, the procurement process is underway and we are out to tender for these services. Terminating the process could have contractual implications.

Any additional comments of the Chief Financial Officer

The proposal will deliver ongoing savings of £350k per annum. However, as we are currently out to tender for these services and terminating the process now will have some contractual implications and possible abortive costs.

Any additional Legal comments

None

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE LABOUR PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Scrap the Mayoral car – Save £15,000.

Corporate Director's Comments

Cutting the budget would save £15k. However, the provision supports the Mayors transport requirements and allows the mayor to meet his extensive public engagements.

Any additional comments of the Chief Financial Officer

None

Any additional Legal comments

None

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE LABOUR PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Implement a departmental top slice for communications spending (across CLC, D&R & ESCW) – save £200,000.

Corporate Director's Comments

Directorate communications spend generally relate to expenditure on postage, telecommunications and courier services. This expenditure is typically funded through their supplies and services budgets and these budgets have been subject to extensive cuts over the past four years.

Much of the expenditure on postage and courier services relate to fulfilling statutory duties such as housing benefits, council tax and business rates administration. Some of this expenditure is funded through grants such as the housing benefits admin subsidy and thus would not necessarily yield a general fund savings.

Any reductions to gross expenditure within the corporate communications budget would significantly reduce the capacity for a department that currently receives in excess of 100 media enquiries per month, writes for the Council's website and other council publications and ensures the public are informed about council services, policies and procedures.

Any additional comments of the Chief Financial Officer

None.

Any additional Legal comments

None

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE LABOUR PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Save £100k from the legal services budget

Corporate Director's Comments

Reductions to spending on legal services need to be carefully considered to balance associated risks which may accompany a reduced level of service. Legal support is required for the discharge of a range of the Council's functions, including safeguarding, planning, housing, homelessness, procurement, other major projects, property disposals (including right-to-buy sales), committee support, governance, employment, education, licensing, prosecutions and a range of litigation (including threats of judicial review).

Any additional comments of the Chief Financial Officer

None

Any additional Legal comments

Legal Services savings opportunities have been explored, particularly in relation to external legal spending. It is hoped that these proposals will lead to savings being available in 2016/2017.

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE LABOUR PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Delete the budget for Kobi Nazrul – Save £100,000

Corporate Director's Comments

There is a clear community aspiration to make the centre more accessible and effectively programmed community resource. One way for this to be achieved is for there to be a dedicated staff resource.

Attempts to capacity build community programming for this space has met with mixed success in the past and is not considered sustainable at this time.

The Kobi Nazrul Centre represents a council owned community asset that best serves the community and best value duty if it is fully programmed. This will not happen if its budget is removed.

The equality impact of this proposal is likely to impact disproportionately on one community. A clear rationale would need to be identified that demonstrated that this decision was not discriminatory if the Council were not to run the risk of legal challenge.

Any additional comments of the Chief Financial Officer

Any additional Legal comments

The Council's public sector equality duty is set out in the legal comments in the main budget report. The Council needs to carry out a proportionate level of equality analysis to understand the implications of its budget decisions.

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE LABOUR PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Additional savings from the Smoking cessation budget – Save £150,000.

Corporate Director's Comments

The smoking cessation budget is funded through the Public Health Grant. Total Current budget is £1.480m of which approximately £300k is provided through CLC.

The total budget is subject to a savings proposal of £360k in 2015/16 and this will impact both the CLC and ESCW elements of the total budget.

The savings proposal of £360k, representing almost 25% of the current budget, is based on current trend data and achievable as majority of the saving is on pharmacy supported smoking cessation. Based on current trend data, an additional £150k saving would not allow the council to meet Public Health targets and outcomes.

Any additional comments of the Chief Financial Officer

The Public Health Grant is a ring fenced grant which must be used for services that result in public health benefits. Should this savings be approved any alternative use for the funding will need to demonstrate public health benefits/outcomes.

Any additional Legal comments

The Council is responsible under the National Health Service Act 2006 for the provision of various public health functions. The Council is required to take such steps as it consider appropriate for improving the health of the people of Tower Hamlets. The Council is also required by the Care Act 2014 to enable access to its services and integrate with partners to prevent, reduce or delay needs for care and support. Smoking cessation may be relevant to both of these obligations.

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL

The following sets out comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Impose a 50% cut to the recurrent budget for the Annual Residents Survey – Save £22,500.

Corporate Director's Comments

The best way of continuing the survey within a budget reduction of 50% would be to undertake the survey every two years (rather than annually).

Other options to reduce the cost e.g. changing to a postal survey methodology (it's currently face to face) or reducing the sample size would detrimentally impact on the quality and reliability of the survey's findings.

Whilst moving to a survey every two years is possible, there are a number of disadvantages of such an approach, including:

- The loss of annual performance monitoring data – making it more difficult to assess the effectiveness of Council services
- Poorer timeliness of data – at a time when services are changing as a result of budget reductions, making it more difficult to assess the impacts on residents
- Less frequent results may make changes over time more difficult to interpret due to the volatility of survey estimates
- Reduced scope to monitor perceptions and assess changes in relation to emerging issues e.g. welfare reform.

Any additional comments of the Chief Financial Officer

None.

Any additional Legal comments

None

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE LABOUR PARTY

The following sets out our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Reverse the cut to "Deliver more Streetcare Monitoring through Champions & Volunteers" – Spend £140,000.

Corporate Director's Comments

This proposal reverses the savings opportunity decision to reduce the service by 3 FTE. Alternative savings will need to be identified and approved to mitigate the budget impact.

Any additional comments of the Chief Financial Officer

The proposal will leave a recurring budget gap – any alternative proposals to mitigate this will need to deliver permanent savings.

Any additional Legal comments

None

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE LABOUR PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Reverse the cut to "Reduce duplication in Leaving Care Service" – Spend £427,000.

Corporate Director's Comments

The Leaving Care Service is able to reduce spending in the service by driving through efficiencies without compromising the integrity of the statutory service provided to Looked after children and care leavers.

The saving which can be achieved through this proposal is £427k and represents a significant contribution to the directorates overall savings programme in 2015/16. Reversing this will create a budget shortfall within the directorate and alternative saving proposals will need to be identified and approved.

Any additional comments of the Chief Financial Officer

The proposal will leave a recurring budget gap – any alternative proposals to mitigate this will need to deliver permanent savings.

Any additional Legal comments

None

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE LABOUR PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Invest into a 24-hour noise service – Spend £110,000.

Corporate Director's Comments

The allocation of additional funding for the 24 hours noise service would provide for the equivalent cost of 2 FTE at a cost of £110k including shift allowance

Any additional comments of the Chief Financial Officer

None.

Any additional Legal comments

None

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE LABOUR PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Safe cycle storage – site identification and implementation
Spend £10,500

Corporate Director's Comments

There is currently funding identified from TfL, through the Local Implementation Plan, to identify cycle storage sites on Housing estates and to implement some actual storage.

This proposal to award an additional £10.5k will allow for implementation of additional storage solutions in agreement with the relevant Social Landlord.

Any additional comments of the Chief Financial Officer

None.

Any additional Legal comments

None

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE LABOUR PARTY

The following sets out our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

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 entitled to.

Corporate Director's Comments

A pilot scheme has been running at the Old Church Nursery providing 15 hour childcare places. The total cost of these places is £8,460 per child – £3,460 of which is funded by the DfE with the balance of £5,000 being subsidised by the Nursery.

£5,000 is attributable to having more qualified teachers available, Early Years Practitioners, SENCO and more Headteacher time.

Based on this scheme an additional £250,000 could subsidise an extra 50 places for one year, however, there is also likely to be some additional capital costs required to implement this.

This proposal may be possible as a pilot for one year however the sustainability of the proposal in the long term may not be viable.

Any additional comments of the Chief Financial Officer

None

Any additional Legal comments

The Council is required by section 3 of the Childcare Act 2006 to make arrangements to secure that early childhood services in its area are provided in an integrated manner, which is calculated to facilitate access to those services, and to maximize the benefit of those services to parents and young children. Section 6 of the Act requires the Council to ensure that the provision of childcare is sufficient to meet the requirements of parents in Tower Hamlets who require childcare. The Local Authority (Duty to Secure Early Years Provision Free of Charge) Regulations 2012 require the Council to secure 15 hours per week, 38 weeks per year, for all 3 to 4 year olds and for eligible 2 year olds. Any arrangements made by the Council should be consistent with these obligations. The Council should additionally take into account the general duties set out in the legal comments in the main budget report, such as in relation to the best value duty and the public sector equality duty.

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE LABOUR PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Increase Planning charges in order to increase in-house capacity and improve consultation.

Corporate Director's Comments

Planning application fees are set nationally, thus we have no discretion over these.

The Council has discretion over Pre-application fees and we have already reviewed these as part of the Fees and Charges report agreed by Cabinet on the 7th January 2015 and pre-application fees have already been increased in order to generate more income.

The fees generated by our Pre-Application process are dependent on the level of activity in the development industry and being approached by would be developers at an early stage in the development. Not everyone uses a pre-application service and therefore it is difficult to predict future levels of income which means that any permanent growth in the in-house function solely funded by additional income would carry a funding risk if levels of pre-applications fell.

Additionally, services have to give due consideration to principles of affordability and predictability of income when increasing or setting new charges – to ensure that no adverse impact on the service demand at the same time maintain a competitive structure. Given the nature of activity in the industry and uncertainty surrounding the market conditions (supply and demand sensitivity) it would be difficult to predict future income with any degree of certainty. As stated in the Cabinet Report, service annually reviews all the fees and charges part of the budget setting process and income maximisation strategy.

Any additional comments of the Chief Financial Officer

None

Any additional Legal comments

Planning fees for certain types of applications, site visits and requests for confirmation of compliance with conditions of a planning permission are set nationally by the Town and Country Planning (Fees for Applications, Deemed Applications, Requests and Site Visits) (England) Regulations 2012. The Council has no discretion in respect of these charges.

Section 93 of the Local Government Act 2003 permits the Council to charge for discretionary services. The power does not apply where the Council already has power to charge under a different statutory provision or where it is expressly prohibited by legislation from charging. The income received from such charges must not exceed the cost of providing the discretionary services.

Conservative Group budget amendment

Proposed: Cllr Andrew Wood

Seconded: Cllr Craig Aston

This Council believes that:

1. The Mayor's plans to once again fund, with a £50,000 increase on 2013/14, 'advisors' in his private office is yet another insult to residents and a clear indicator that the Mayor's first priority is his own self-promotion. This money could be spent on front line services.
2. The Mayor's plans for a 'Mayor's Award' is another example of this vainglorious self-promotion.
3. The Mayor does not need a car and driver at a cost of £42,000 a year to ferry him round the borough and pick up his dry-cleaning when he chooses. In the spirit of generosity we would provide him with a zone 1-3 TfL travelcard so he can travel round the borough by public transport like the majority of local residents.
4. An increase in THEOs is no substitute for real police constables with full police powers. The 10 THEOs whose funding ends in March should be replaced by what residents want to see on their streets – police officers.
5. The bulk waste charge is a stealth tax which has failed, and which has inevitably led to fly-tipping. Getting rid of bulk waste charges would lead to a cleaner borough, reduce cleanup costs to the council and help local residents.
6. Integration of the community is far better enhanced, and greater opportunities made open to local residents, if there was greater provision for English language classes (ESOL). This should be financed by eliminating spending on non-statutory translation.
7. Local residents are opposed to the commercialisation of our parks and open spaces, and would welcome the elimination of targets to raise income from them.
8. When legislation has been passed, and the Secretary of State for Communities & Local Government has given clear notice to end the vanity newspaper East End Life, it is unacceptable that no plan has even been considered for its cessation, and that we are told it would cost the council money to abolish it. East End Life is an obvious propaganda vehicle for the administration that the borough could do without and its cessation would save council taxpayers hundreds of thousands of pounds.
9. As the fastest-growing borough in the country this Council needs to manage its growth more effectively, and start thinking more creatively and strategically about providing better services at less cost. Boroughs across London have made substantial savings through merging back-office functions, and Tower Hamlets needs to start thinking on the same lines.
10. A 1% council tax rebate for 2015/16 would be a genuine help for hard working local families. The public would rather see their money returned to them rather than frittered away on the Mayor's private office, his pet projects, and his ego.

This Council amends the Mayor's budget as follows:

Implement the following reductions in expenditure:

Description	2015/16 Impact	Detail
Mother Tongue	£725,000	Remove budget for Mother Tongue
THEOs	£615,000	Remove proposed additional 10 THEOs and spend the money on police constables instead
Mayor's Office Budget	£350,000	Remove the budget for more Mayoral spin. Immediately terminate any procurement process
Trade Union Facility Time	£252,000	Remove full-time trade union posts paid for by council taxpayers

Translation services	£197,000	Stop non-statutory translation of documents into foreign languages in order to promote the One Tower Hamlets objective, and follow DCLG best practice (see ESOL below).
Kobi Nazrul Centre	£100,000	Reverse proposed increase
Bromley Cemetery subsidy	£70,000	Removing the Council subsidy for those people who choose to be buried in the new Council cemetery in Kent
Mayoral car	£42,000	Abolish the Mayoral car and delete post of full-time driver
'Celebration' events	£25,000	Remove provision for vanity-seeking 'Mayor's Awards'
'Media Monitoring'	£25,000	Stop all media monitoring activities
External venues	£16,000	Stop hiring of external venues for internal Council meetings and away-days (though enable Members to continue holding surgeries in the community)
Reduction in expenditure	£2,417,000	

Implement the following increases in expenditure:

Description	2015/16 Impact	Detail
1% Council Tax Rebate	£698,150	Provide a 1% rebate to all households in the borough worth £11.85 to Band D households
Police constables	£615,000	Replacing THEO's with Met police constables, budget analysis suggest we can
Road and Pavement Maintenance	£200,000	Increase the budget for road maintenance in order to allow pot holes to be repaired more quickly reducing the damage to residents cars. Repair pavements to allow disabled people and parents with push chairs full access to their pavements
ESOL classes	£197,000	Fund extra ESOL classes with the aim of abolishing waiting lists for ESOL, in line with One Tower Hamlets policy
Green spaces	£100,000	Investment in new green spaces – pocket parks, allotments, urban wildlife/nature reserves especially in those areas suffering from a shortage of green space
Wapping community centre	£66,000	Wapping Community Centre – in line with One Tower Hamlets, a new community space open to everyone in the St Katharine's & Wapping ward to allow for community meetings, classes and initiatives in response to the absence of any such space currently
Strategic cost saving initiatives	£50,000	Legal & consultancy for strategic cost reduction initiative
Docklands Heritage Boards	£20,342	Refurbishing existing information boards located next to historic sites
Tommy Flowers Memorial	£5,000	War memorial for famous Poplar codebreaker who helped this nation win the Second World War
TfL Travel Card for Mayor	£1,508	Allow for the abolition of Mayoral car by giving Mayor a zone 1-3 Travel Card so he can travel across the borough like most residents and opposition Members – on public transport
Increase in expenditure	£1,254,850	

Implement the following reductions in income:

Description	2015/16 Impact	Detail
Car parking charges	£160,000	Reducing the increase in car parking charges which had been raised faster than the official national inflation measure CPI
Commercial events in parks	£154,000	End all commercial events in parks, except those already contracted
Bulk waste charges	£150,000	End all bulk waste charges
Reduction in income	£464,000	

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets out comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

General Comments of the Chief Financial Officer

The proposals are deemed to be cost neutral in 2015/16, although there are likely to be some additional one-off costs associated with potential redundancies or the termination of contracts. These could be provided for within the Medium Term Financial Plan and funded through the use of general reserves.

Where savings proposals involve redundancies or service decommissioning, these will be subject to the Council's organisational change procedure and are unlikely to be implemented by the 1st April. Thus full year savings may not be realised in 2015/16, in which case, either the implementation of spending proposals will need can be delayed or general reserves used to mitigate the financial impact

General Legal Comments

Any further relevant legal comments are set out in the individual pro formas dealing with each proposal

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Remove £725,000 budget for Mother Tongue.

Corporate Director's Comments

The removal of the budget will make the 5 permanent staff redundant along with the sessional teachers that cover the Community Languages team, Modern Foreign Languages which provides support for young people in languages and cultural learning, citizenship education, improving GCSE results. Any third sector impact would need to be carefully managed and there may be concerns from communities who perceive the proposal as culturally specific. The equality impact is likely to be disproportionately limited to a number of communities and a clear rationale would need to be established that demonstrated that it was not discriminatory if the council were not to run the risk of legal challenge.

Any additional comments of the Chief Financial Officer

There would be redundancy costs associated with implementing this proposal.

Any additional legal comments

The Council's public sector equality duty, which is set out in the legal comments in the main budget report will be relevant to this proposal. A proportionate level of equality analysis will be required to inform the proposal. If the proposal proceeded, the Council will be required to follow its procedure for handling organisational change.

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets out our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Remove proposed additional 10 THEOs and spend the money of £615,000 on police constables instead.

Corporate Director's Comments

The removal of the funding for the 10 THEOs will mean that they are made redundant.

The Police have their priorities set by New Scotland Yard rather than locally and have high levels of abstraction where local police are removed to assist in policing across the region or the UK.

THEOs represent a uniformed and trained presence that remains in the Borough 100 % of the time, are directed by local community concerns and play an important support role to the Police which is valued by them. There is a greater chance that they can be recruited locally.

The cost of the police constables would need to be established with the MET police. Lead in times before the arrival of any new police is circa 8 months to allow for recruitment and training.

The current MOPAC subsidy arrangement offer is £65k per pair of police constables but there is no guarantee that this would be the case for any additional funding that might be available.

Careful consideration would need to be given to the sustainability of funding more police officers and the extent to which council resources can be diverted to cover the gap resulting from GLA decisions to reduce funding for borough policing.

Any additional comments of the Chief Financial Officer

There would be redundancy costs associated with this proposal.

Any additional legal comments

The Council is required by section 17 of the Crime and Disorder Act 1998 to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in Tower Hamlets.

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Remove the Mayor's Office budget of £350,000.

Corporate Director's Comments

Under statute the Mayor has a right to a political advisor. Beyond that is a matter of Council's/Mayor's executive discretion under the constraints of the approved budget for the service.

Cutting this budget will save £350k per annum (recurrent). However, the procurement process is underway and we are out to tender for these services. Terminating the process could have contractual implications.

Any additional comments of the Chief Financial Officer

The proposal will deliver ongoing savings of £350k per annum. However, as we are currently out to tender for these services and terminating the process now will have some contractual implications and possible abortive costs.

Any additional legal comments

The Council recently tendered for consultants to provide advice to the Mayor across seven specific disciplines. The Council has issued letters accepting tender bids in respect of four of the contracts with three lots currently earmarked for retender. The Council is contractually bound to abide by the contracts it has awarded.

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets out comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Trade Union Facility Time: Remove full time trade union posts paid for by the council taxpayers - Save £252,000

Corporate Director's Comments

Historically, the Council has supported the system of collective bargaining and believed in the principle of solving industrial relations issues by discussion and agreement. As a democratic organisation we recognise the role of trade unions in supporting Council employees and we provide time off for trade union officials to support workers within the organisation on council business.

Under the Trade Union and Labour Relations (Consolidation) Act 1992, Trade Unions representatives have a legal right to reasonable paid time off for duties such as negotiating pay, terms and conditions, representing union members in disciplinary or grievance matters, health & safety matters, accompanying members to some meetings with their line managers and discussing issues such as redundancies. Without paid trade union officials, this role would, in the main, be undertaken by part-time shop stewards who, of necessity, may lack the experience and expertise possessed by full-time trade union officials.

Additionally, the successful implementation and operation of HR policies and procedures is dependent upon the collaboration of paid trade union officials, whose understanding of Council policies and employment legislation produces a far more informed and useful interaction than would otherwise be the case. Finally, allowing experienced representation for employees during (for example) Organisational Change or disciplinary proceedings minimises the possibilities of its actions being overturned in Employment Tribunal or other Courts of Law.

Any additional comments of the Chief Financial Officer

The proposal would deliver a full year saving of £252k but would not be fully achievable from the 1st of April 2015 due to the Council's HR organisational change procedure, and associated one-off costs. The proposal would therefore require bringing forward the use of general fund reserves.

Any additional legal comments

The Corporate Director's comments correctly refer to the right of trade union representatives to paid time off, which may impact on the Council's ability to deliver savings in this area.

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Savings of £197,000 to stop non-statutory translation of documents into foreign languages in order to promote the One Tower Hamlets objective, and follow DCLG best practice.

Corporate Director's Comments

Purely stopping non-statutory translation of documents into foreign languages will not in itself achieve the full £197k savings, as that figure represents total spend on interpretation and translation of documents, the majority of which relates to interpretation in face-to-face and telephone interviews with clients.

Not every person affected by Council services will be an English speaker. It is therefore highly unlikely that the Council could completely eliminate the requirement to translate documents and conversations for the benefit, for example, of non-English speaking members of the public who are affected by social care issues. These costs where necessary would need to be met from other Directorate budgets.

Any additional comments of the Chief Financial Officer

The proposal is likely require additional one-off costs, including redundancies and contract termination, which will have to be funded by bringing forward the use of reserves.

Any additional legal comments

The Council's public sector equality duty is set out in the legal comments in the main budget report. The Council needs to carry out a proportionate level of equality analysis to understand the implications of its budget decisions.

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Reverse proposed increase spend of £100,000 on Kobi Nazrul Centre.

Corporate Director's Comments

There is a clear community aspiration to make the centre more accessible and effectively programmed community resource. One way for this to be achieved is for there to be a dedicated staff resource.

Attempts to capacity build community programming for this space has met with mixed success in the past and is not considered sustainable at this time.

The Kobi Nazrul Centre represents a council owned community asset that best serves the community and best value duty if it is fully programmed. This will not happen if its budget is removed.

The equality impact of this proposal is likely to impact disproportionately on one community. A clear rationale would need to be identified that demonstrated that this decision was not discriminatory if the Council were not to run the risk of legal challenge.

Any additional comments of the Chief Financial Officer

None

Any additional legal comments

The Council's public sector equality duty is set out in the legal comments in the main budget report. The Council needs to carry out a proportionate level of equality analysis to understand the implications of its budget decisions.

**OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL
BY THE CONSERVATIVE PARTY**

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Removing the Council subsidy for those people who choose to be buried in the new Council cemetery in Kent – save £70,000.

Corporate Director's Comments

Assuming this relates to the proposed Multi Faith Burial Ground growth bid – removing the subsidy will result in the need to charge higher fees which could render the service unaffordable to families on low/modest income.

Any additional comments of the Chief Financial Officer

Any additional legal comments

None.

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Abolish the Mayoral car and delete post of full-time driver – save £42,000.

Corporate Director's Comments

The cost of the Mayor's car is £42k inclusive of lease costs, petrol and the cost of the driver.

A reduction of £30k can be achieved in 2015/16, due to ongoing fixed costs, with a full year saving of the £42k from 2016/17.

Any additional comments of the Chief Financial Officer

Although the full year ongoing saving is £42k, for the reason set out above, the actual saving for 2015/16 is less. This difference can be financed by re-phasing the use of general fund reserves, given the overall package of savings proposals.

Any additional redundancy cost would also need to be funded from bringing forward general fund reserves.

Any additional legal comments

**OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL
BY THE CONSERVATIVE PARTY**

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Remove provision for vanity-seeking 'Mayor's Awards' – save £25,000.

Corporate Director's Comments

There is a one off growth bid for £100k put forward within the 2015/16 budget to celebrate the contributions different groups of residents make to the borough. Events are planned to celebrate the contribution of elderly residents, disabled residents and the contribution made by local living hero's amongst others.

The £25k referred to here is earmarked for an event that is intended to commemorate living local hero's and their contribution to the community.

Removing that element of the budget will save £25k one-off and will mean that the event for living local hero's cannot go ahead.

Any additional comments of the Chief Financial Officer

Any additional legal comments

None.

**OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL
BY THE CONSERVATIVE PARTY**

The following sets out our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Stop all media monitoring activities – save £25,000.

Corporate Director's Comments

Media monitoring activities allow the council to be informed of and respond to the increasing media activities and developments that impact on the borough and its residents. The Council is then able to respond appropriately in order to continue to promote and protect the reputation of the Council.

The media monitoring tools funded through this budget also enables the council to engage with residents through social media and helps inform council policies and services.

Removing this budget will save £25,000 per annum but will reduce the council's ability to respond effectively to the increasing media scrutiny.

Any additional comments of the Chief Financial Officer

None

Any additional comments from Legal

None

**OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL
BY THE CONSERVATIVE PARTY**

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Stop hiring of external venues for internal Council meetings and away-days (though enable Members to continue holding surgeries in the community) – save £16,000.

Corporate Director's Comments

There are no specific budgets for the hire of external venues and any spend on the hire of external venues for team away days is typically funded through directorate staff training budgets.

External venues are only used for away days for larger groups when appropriate size internal venues are not available.

Thus the proposed reductions are likely to result in cuts to staff training budgets.

Any additional comments of the Chief Financial Officer

Any additional legal comments

None

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Provide a 1% rebate to all households in the borough worth £11.85 to Band D households

Corporate Director's Comments

The rebate could be arranged under powers provided by the Local Government Act 1992.

The rebate would not reduce the rate of Council Tax but would provide funding from Council budgets to provide a one-off rebate to all Council Tax payers equivalent to 1% of their bill, net of discounts.

A rationale for a rebate at this time would be to alleviate the impact of Council Tax on residents during harsh economic times.

A permanent reduction in Council Tax would not be prudent given the budget gap facing the Council in 2015/16, but this scheme would be temporary. Each year the Government sets rules that prevent increases in Council Tax

Any additional comments of the Chief Financial Officer

Any additional legal comments

None.

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Increase the budget for road maintenance by £200,000 in order to allow pot holes to be repaired more quickly reducing the damage to residents' cars. Repair pavements to allow disabled people and parents with push chairs full access to their pavements

Corporate Director's Comments

Whilst Potholes will never be eradicated entirely, this proposal provides additional resources to the Transport and Highways maintenance budget which will enable the proactive finding and fixing of potholes that have occurred over the winter months. This will also improve the streets, providing improved accessibility, prolonging their life and in the short term helping to limit insurance claims for damage to vehicles targeted at the Council. It will not, in itself, compensate for structural reduction in LIP funding from TfL which will adversely impact on road condition at an accelerating rate over time. The extent to which the diversion of Council resources to offset GLA budget reductions in road maintenance budgets represents a sustainable financial response over time will need to be considered as part of the strategic approach to the development of the MTFP.

Any additional comments of the Chief Financial Officer

Any additional legal comments

None.

**OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL
BY THE CONSERVATIVE PARTY**

The following sets out our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Fund extra ESOL classes with the aim of abolishing waiting lists for ESOL, in line with One Tower Hamlets policy – increased spending of £197,000.

Corporate Director's Comments

A review of the current waiting list and the capacity of service providers will need to be carried out to assess the impact of this additional funding to the waiting list. ESOL waiting lists are impacted not only by supply issues but also by preferences of ESOL service users. For example a favoured location may result in the preference to wait for a place to become available in that location rather than accept a place in another programme in another part of the Borough. Similarly service users may choose to wait for a particular provider etc. For this reason it will not be possible to abolish waiting lists entirely.

Any additional comments of the Chief Financial Officer

None

Any additional legal comments

None.

**OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL
BY THE CONSERVATIVE PARTY**

The following sets out our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Investment of £100,000 in new green spaces – pocket parks, allotments, urban wildlife/nature reserves, especially in those areas suffering from a shortage of green space.

Corporate Director's Comments

Unless linked to self-funding community management initiatives or unless this investment is made in land owned by other organisations who are prepared to take on the revenue costs of such spaces there will be ongoing revenue implications for the council for which there is no budget. Contingency would need to be set aside to deal with any failure of community management schemes for which there is no budget. It is not clear where the land for these initiatives would come from. If it is intended that land would be purchased to create these initiatives then the budget is clearly inadequate. If it is proposed that land currently used or earmarked for other purposes is used for these initiatives then there would be an opportunity cost that would need to be considered by relevant key stakeholders. Given the shortfall in open space the strategic priority specific to open space management has been to upgrade and enhance existing spaces. Given the above issues consideration might be given to changing the application of this proposal to investment in existing pocket parks, allotments and urban wildlife reserves and, providing supporting revenue can be found, promoting new spaces.

Any additional comments of the Chief Financial Officer

None

Any additional legal comments

None.

**OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL
BY THE CONSERVATIVE PARTY**

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Wapping Community Centre – in line with One Tower Hamlets, a new community space open to everyone in the St Katharine's & Wapping ward to allow for community meetings, classes and initiatives in response to the absence of any such space currently – investment of £66,000.

Corporate Director's Comments

Until such time as the Councils Asset Strategy and revised Community Letting and Allocations Policy has been adopted by Cabinet no new additional space and therefore capital and revenue commitments should be taken on in isolation, when it is likely that opportunities to consolidate, rationalise or share premises will come out of the detailed review of existing accommodation and liabilities.

Any additional comments of the Chief Financial Officer

Any additional legal comments

None.

**OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL
BY THE CONSERVATIVE PARTY**

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

£50,000 investment - legal & consultancy for strategic cost reduction initiative.

Corporate Director's Comments

The council already has an established invest to save fund that supports the Council's efficiency/savings programme – this proposal appears to replicate that.

Any additional comments of the Chief Financial Officer

Any additional legal comments

None.

**OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL
BY THE CONSERVATIVE PARTY**

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Docklands Heritage Boards - refurbishing existing information boards located next to historic sites – investment of £20,342.

Corporate Director's Comments

This sum would be used to work in partnership with landowners to renovate and maintain Heritage Boards.

Any additional comments of the Chief Financial Officer

Any additional comments from Legal

None.

**OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL
BY THE CONSERVATIVE PARTY**

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Tommy Flowers Memorial - War memorial for famous Poplar codebreaker who helped this nation win the Second World War – spending of £5,000.

Corporate Director's Comments

A feasibility study would need to be carried out.

Any additional comments of the Chief Financial Officer

None

Any additional legal comments

None

**OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL
BY THE CONSERVATIVE PARTY**

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Allow for the abolition of Mayoral car by giving Mayor a zone 1-3 Travelcard so he can travel across the borough like most residents and opposition Members – on public transport. Cost £1,508.

Corporate Director's Comments

There is current budget provision for the Mayors travel arrangements. This cost can be contained within that budget provision.

Any additional comments of the Chief Financial Officer

None

Any additional legal comments

None

**OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL
BY THE CONSERVATIVE PARTY**

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Reducing the increase in car parking charges which had been raised faster than the official national inflation measure CPI. Reduction in income of £160,000.

Corporate Director's Comments

This would be possible and can be accommodated. The fees as proposed are comparable to many other London Boroughs and are not considered excessive.

However, under the Constitution it is a decision of the Executive to set fees and charges rather than that of Full Council.

Any additional comments of the Chief Financial Officer

Any additional legal comments

None.

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

End all commercial events in parks, except those already contracted.

Reduction in income of £154,000.

Corporate Director's Comments

This proposal could be accommodated.

However, revenue raising activities of this sort represent a way to mitigate the loss of government funding that does not entail the reduction of services or jobs. For this reason careful consideration should be given before committing to any proposal that reduces revenue raising capacity in times of austerity.

In the short term the above change would have a modest impact on the budget. However the MTFP contains a saving target committing to an increase in income for events in parks. The proposal to end all commercial events in parks from the point at which current event contracts end will ultimately have a significant adverse impact on the ability to maintain the parks service to current standards and the ability to continue to fund free community events.

Any additional comments of the Chief Financial Officer

Any additional legal comments

The main contract for events is not due to expire until 31 December 2016 and provides for extension for a further year if both parties agree. It is likely that there would be significant costs associated with early termination.

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

End all bulk waste charges resulting in reduction of income of £150,000.

Corporate Director's Comments

It is a decision of the Executive under the constitution to set fees and charges.

However, this proposal could be implemented by the service if agreed although there is no clear evidence that the introduction of charges have resulted in higher levels of dumping.

The Borough has a high level of private rented properties and some consideration would need to be given to the proposal if it were not to represent a subsidy to the private rented sector too. Any form of vetting of requests for service would be costly and off set potential savings.

Demand for the free service would rise and the costs to the Council of running the service would also increase.

Any additional comments of the Chief Financial Officer

The MTFP includes a saving target which needs to be met by the introduction of bulk waste charges - If the charges are removed the income cannot be generated leaving a budget gap which will need to be met from elsewhere in the Councils budget.

Any additional legal comments

None.