



Meeting of the

# TOWER HAMLETS COUNCIL

---

Wednesday, 24 February 2016 at 7.30 p.m.

---

**BUDGET AMENDMENTS AND OFFICER COMMENTS**

---

## VENUE

Council Chamber, 1<sup>st</sup> Floor,  
Town Hall, Mulberry Place,  
5 Clove Crescent,  
London E14 2BG

**Democratic Services Contact:**

Matthew Mannion, Committee Services Manager, Democratic Services  
Tel: 020 7364 4651, E-mail: [matthew.mannion@towerhamlets.gov.uk](mailto:matthew.mannion@towerhamlets.gov.uk)

**LONDON BOROUGH OF TOWER HAMLETS**

**COUNCIL**

**WEDNESDAY, 24 FEBRUARY 2016**

**7.30 p.m.**

**5. BUDGET AND COUNCIL TAX 2016/17**

Proposed amendments to the budget and related officer comments.

**BUDGET COUNCIL MEETING**

**WEDNESDAY 24<sup>th</sup> FEBRUARY 2016**

**AMENDMENTS NOTIFIED IN ACCORDANCE WITH  
BUDGET MEETING PROCEDURE RULES**

**AGENDA ITEM NO. 5:-  
BUDGET AND COUNCIL TAX 2016/17**

**Documents attached:**

- 1. AMENDMENT PROPOSED BY COUNCILLOR OLI RAHMAN AND SECONDED BY COUNCILLOR RABINA KHAN (on orange paper) plus officer comments on the proposed amendment.**
- 2. AMENDMENT PROPOSED BY COUNCILLOR CHRIS CHAPMAN AND SECONDED BY COUNCILLOR ANDREW WOOD (on blue paper) plus officer comments on the proposed amendment.**

**This page is intentionally left blank**

**INDEPENDENT GROUP BUDGET PROPOSAL – Budget amendment (24.02.2016)**

Proposer: Cllr Oli Rahman  
Seconder: Cllr Rabina Khan

**The Council notes**

- John Biggs inherited a record £242,000,000 overall reserves in June 2015 – money put aside by the previous administration, despite challenges, to help, protect and support residents and staff in the face of Conservative Government’s austerity cuts, with a clearly available **£71,000,000** deployable reserves - money which John Biggs can choose to spend between now and next few years, with the minimum guideline reserves to remain in place.
- This deployable reserve money is on top of the additional funding that the Biggs administration has just received from the Conservative Government this year than anticipated – with an extra **£13,270,000** for decent homes and a further new **£100,000** for tackling rogue landlords - as well as - budgeted increase in the local business rates of up to **£124,000,000**.
- Moreover, **£3,860,000 more grant has been given to Tower Hamlets this year** under John Biggs by the Government than expected and previously budgeted – yet he chooses to inflict unfair and disproportionate cuts to vital services residents rely upon, increases the Council Tax by 4% and make people redundant.

John Biggs’ Tory cuts and increases, amongst others, include:

- **4% increase in the Council Tax**, hitting lower income and struggling families harder than others.
- **Cuts to Incontinence Laundry Services** – affecting the most vulnerable, just to save £41,000.
- **Cuts to frontline service of Tower Hamlets Environment Officers (THEOs) - Removal of 10 waste THEOs** - resulting in a fewer resources to deal with waste, graffiti and general environmental/waste/graffiti.
- **New charges for Elderly Social Care and Learning Disability Users** which will disproportionately hit over 65s (58%), females (55%) as well as faith communities - Christians (38%) and Muslims (29%). No consultation with the users (residents) **before** agreeing serious cuts of this nature in relation to elderly care.

## Tower Hamlets Independent Group – Alternative Budget Proposal (amendment)

February 24, 2016

- **School crossing patrols (Lollypop people)** – Putting safety of children at risk without confirmation from all schools that they will continue.
- **Cuts to Child, Adolescent and Mental Health Services** – A fewer resources - concerns about negative impact on vulnerable young people and service delivery.
- **Cuts to Children Services** – This cut will result in potential closures or deteriorating services - disappearance of Children Centre and/or nursery. We need more nurseries not less.
- **Removal of Burial Subsidy and trips to Gorsefield rural studies trips by school children** - affecting the most disadvantaged children and families who are not able to pay.
- **Removal of 'No Compulsory redundancy philosophy'** – The principle seemed to have been discarded where a senior officer told the Unison '*there is nothing off the table*' and this is evident in the John Biggs' budget cuts. This could not have taken place without the political backing by John Biggs and his Cabinet.
- **Truly disappointing six monthly performance report under the new administration of John Biggs**, except the projects that were already on course/delivered in June 2015, according to the Council's own report which demonstrated incompetence, a lack of leadership and vision.
- **That the number of Police Officers will fall from 40 to 6** (40 officers – between 2012/2015 to 6 officers from March 2016) – a difference of 34 - resulting in community feeling unsafe and abandoned, as a result of John Biggs' cuts.

### The Council believes

- That the Conservative Government continues to inflict ideologically driven austerity cuts hitting the most vulnerable and deprived communities, such as Tower Hamlets, the hardest.

The 'Tory budget-shambles' proposed by the Biggs administration, is:

- Contrary to Labour values and the views expressed by his Leader, Jeremy Corbyn. This budget is part of the an austerity programme which aims to transfer wealth in Tower Hamlets, and society at large, from the working poor to those at the top – hitting the most vulnerable and disadvantaged in the community.
- Provide a glimpse of a vision-less and incompetent administration – out of touch with the residents of Tower Hamlets.

- The cumulative impact of this budget coupled with the overall political and policy direction would be an accelerated social cleansing of Tower Hamlets.
- That serious questions have been raised about the competence of John Biggs and his cabinet after inheriting £242million in overall reserves and £71 million in deployable reserves yet John Biggs has chosen to cut vital services and make people redundant – and claim there was a ‘£63m shortfall’ initially which he now says is ‘£59m’.
- John Biggs and his Cabinet need to stop acting as a ‘**cheerleader for the austerity policies of the Tory Government**’ with his devastating cocktail of cuts, a record Council Tax rise of 4% and a ‘stealth tax’ in new and increased fee and charges that will hurt the most vulnerable and hit residents hard in their pocket.
- John Biggs is failing the people of Tower Hamlets on the basic pledges he made before being elected - from transparency to anti-social behaviour and community safety, just to name two areas.
- John Biggs is failing on community safety, with a record fall in the number of Police Officers being funded by the Council in his budget, following the footsteps of the Tory cuts to police nationally, rather than offering a local leadership. People of Tower Hamlets expect better, with serious concerns raised about burglary, drug-related crimes and anti-social behaviour on the rise – as demonstrated by the petition at the last council meeting which was disregarded with empty words, spin and lip-service.
- That the number of Police Officers will fall from 40 to 6 resulting in community feeling unsafe and abandoned, as a result of John Biggs’ Tory cuts.
- John Biggs must stop wasting public money on hopeless PR stunts of Mayoral Assembly and Mayor’s Question time which are for his personal publicity, with no thought for cuts he is inflicting upon the people of Tower Hamlets. He should of course undertake all such activities without added cost to the people of Tower Hamlets as part of normal duties within existing service costs.
- John Biggs and his Cabinet’s attempt to close libraries (idea stores) on Sundays and to dismantle long-standing day care centre for Somali African women and elderly were absolutely shameful and typifies his lack of understanding, competence, control and ability to think through the consequences of his actions on the community and service delivery.
- John Biggs and his Cabinet in their first budget provide a glimpse of ‘**a vision-less, out of touch incompetent administration**’ which lacks community focus, leadership, compassion and the belief in a fair distribution of resources and protecting the most vulnerable in our society.
- John Biggs’ cuts will worsen the situation for majority of those who already struggle financially. These cuts are a callous action, particularly within the context of the extremely healthy financial position he has inherited. These cuts, follow the Tories, who punish the poor and

## Tower Hamlets Independent Group – Alternative Budget Proposal (amendment)

February 24, 2016

vulnerable with tax increases while giving tax breaks for corporation and the richest - all of which will serve only to derail the local community who have in recent years have had some support to improve their own lives for themselves and ensure dignity to those who need help.

- Tower Hamlets Independent Group is pleased that we, with the help of community support and feedback, have already forced John Biggs into a series of U-turns about the closure of libraries/idea stores on Sundays and his proposed dismantling of Mayfield House, at least temporarily, which supports the Somali African women and the elderly in the community.
- People of Tower Hamlets can see that the first budget by John Biggs will not only hurt residents and their loved ones but will hit them hard in their pockets. Independent Group will continue to fight hard and stand up for the all residents of Tower Hamlets.
- Independent Group budget proposal demonstrates how John Biggs can do his job better and more effectively, without following the Tory austerity agenda or returning favours to the Conservatives - like he did with Rich Mix - by handing £1.5m to his friends in secret at first until forced to make it public by Independent Group 'call-in'.
- John Biggs' administration is failing in delivering the current 15 hour 2 year old entitlement.
- That budget funding for service delivery of Child and Adolescent Mental Health Service (CAMHS), care for elderly, youth, burial subsidy, incontinence laundry service, school crossing patrols, THEOs, council funded Police Officers are vital front-line services and should be protected from cuts and no spin and fancy words can hide the simple fact that these cuts will have seriously negative impact upon vital front-line service delivery, welfare of our residents and morale of our staff who have been doing an excellent job under challenging circumstances.

Page 6

**The Council resolves to adopt the Independent Group amendment to the Mayor's budget for 2016/17**



## Tower Hamlets Independent Group – Alternative Budget Proposal (amendment)

February 24, 2016

SAVINGS PROPOSAL		
Description	Impact	Details
Reinstate part reduction in Corporate match-funding	21,000	Corporate match funding efficiency saving withdrawn as a result of ESF bid for community grant pot of £600,000 over three years. We believe it is over-allocated by £21k. Adjustment as shown which is realistic without taking away the facility and funding to match fund as appropriate.
Efficiency in the overall corporate services and supplies spend of £39m – including reducing contingency to £2m	1,600,000	More efficient management and control, synergies and economies of scale with stop on non-essentials. From £39m, £9m is directly related to contingency, non-pay inflation, growth and other areas like computer licenses, stationary, newspapers, magazine subscriptions and duplications.
Full spectrum review of the organisation and its recruitment. Freeze all highly-paid senior level vacant posts	600,000	Be a lean, flexible and citizen-centred Council. Delete vacant posts at Service Head level where there is no one currently in post. Undertake a more comprehensive approach to efficiencies, posts and recruitment – particularly at senior level who receive a salary of more than £60k. This proposal does not affect any current employee and only affects vacant posts over and above £100k.
Reduce Mayor’s Biggs budget of £605k	100,000	Mayor should absorb fair and proportionate amount of his own cuts while he is reducing vital services, including front line staff and raising record level of Council Tax. There is going to be a new post of adviser (whatever the title may be to suit – e.g. community engagement etc.) at more than £40k and other posts which are not required in the current financial climate – particularly when such posts were criticised by him/his group in the past.
Reduce expenditure on highly-paid consultants and/or highly paid agency staff – current spend is about £22m overall	2,000,000	This saving is aimed only at highly-paid consultants or agency. This <u>does not</u> include essential cover or emergency staff at junior tier level or essential staff. We need to prioritise internal redeployment, training and capacity building and clamp down on many posts that are being filled with spend of more than £60,000 per post as consultants for which we also pay commission to external agencies- at an overall spend of £19.5m, excluding £3.3m for THH/HRA. We fully appreciate some staff are needed, through agency, especially home carers, social care, teachers and other essential staff - and this is not aimed at those.
Income generation - Utilise current networks, position and resources to develop and increase advertisement and other potential revenue streams and commercial focus in terms of all council premises and facilities, committee rooms, Idea stores, roundabouts and others assets	100,000	This proposal has a potential to bring in even more income in future years than currently shown, reducing the need to use cuts as the first go to option.
Remove Mayor’s Biggs publicity budget	25,000	No money needed for Mayor’s personal spin machine – on top of his £605k personal Mayoral office– especially while residents are being hit so hard by his cuts, Council tax rise and increase in fees and charges.

**Tower Hamlets Independent Group – Alternative Budget Proposal (amendment)**

February 24, 2016

After awareness and education campaign, spot fines for spitting, fly-tipping, litter/cigarette dropping using THEOs and other existing resources – rather than cutting	£112,500	This is a better way than simply throwing money on cleaning up after people – Campaign educate, raise awareness, influence behaviour (3 months) and after that introduce fines (part year impact calculated at 300 days with 15 fines across the Borough at £25). Tower Hamlets has serious issues in terms of health, ASB and cleanliness and rather than spending £1m on Mayor’s personal publicity stunt of cleaner street, this will be a better and more effective option in the medium and long term.
Further increase in planning/development related advice and charges for the multi-million pound big developers – not ordinary residents and community groups	£60,000	Developers make a lot of money by building in Tower Hamlets as a prime location and should pay more.
Increase fire-works display to three smaller venues/events at £20k each across the Borough, with sponsorship, and self-funding principle	£80,000	Not fair or robust use of resources during the cuts to vital services to spend £140k on one fireworks display that only benefit one small part of the Borough. We propose more localised, community based approach - rather than having a huge display in Victoria Park event that overspent by £30k, costing residents £180k, have three smaller displays across the Borough so all families and community can enjoy, including Victoria Park. Seek sponsors and self-funding principle for all three events.
External Venues spend	£20,000	No external facilities or services should be hired by the Council during cuts to vital services, except for Cllrs to hold surgeries if there are no other options available locally. All effort should be made to hold surgeries in council owned facilities locally, wherever possible.
Stop/reduce spent on all external recruitment consultants, e.g. Penna and Greenpark etc.	£75,000	Internal HR should carry out all recruitment related activities rather than paying consultants during the cuts to vital services. Usual recruitment sites, networks, tools should be used that are free or costs very little compared to expensive consultants. This saving should come out from across the board Directorate budget.
Reduce Hospitality/catering budget across the Council	100,000	Council spent £141k during 15/16 on hospitality – above the agreed budget of £85k. During the cuts to other services, Council tax rise and redundancies - this should be reduced accordingly as indicated.
Adjustment based on available out-turn figures	2,000,000	Council’s record and forecasts indicate a £2m budget pressure within the Children and Adult Services. These are primarily due to slippage on savings that would need to be met through the £4m provision set aside to manage slippage. This indicate a £2m underspend available to be adjusted as saving. If the projection as currently forecasted do not materialise – the back-up option will be to use reserves with corresponding results in MTFS.
Adjustment to take from the reserves	3,800,000	The take from the reserves in 2015/2016 is £7.8m - actual drawdown is not expected to be as high as £7.8m. This means that money is available for adjustment according to Council’s own figures. If the projection as currently forecasted do not materialise – the back-up option will be to use reserves with corresponding results in MTFS.
<b>Total (savings)</b>	<b>10,693,500</b>	

Page 8

**Tower Hamlets Independent Group – Alternative Budget Proposal (amendment)**

February 24, 2016

SPENDING PROPOSALS		
Description	Impact	Details
Stop Mayor Biggs decision to increase the Council Tax by 4%	3,000,000	This record Council Tax increase will hit lower income, working poor and struggling families harder than others. Unfair, disproportionate and not needed at the moment.
Stop cuts to Incontinence Laundry Services	41,000	This cut will affect the most vulnerable, elderly and chronically-ill. This cut means that Council will no longer provide this service. No guarantee that NHS will provide the same service without additional strain and real struggle for the patients.
Stop removal of 10 waste management Environmental Officers (THEOs)	451,000	This cut will result in a few resources to deal with waste, graffiti and waste. The argument that this cut will make all remaining THEOs available to deal with ASB and waste etc. is futile and will still result in fewer resources. The argument would have been more powerful if it was done without cutting 10 THEOs and making more resources available.
Stop new charges for Adult (Elderly) Social Care <b>and</b> Learning Disability/complex adult care users	590,000	These cuts will disproportionately hit over 65s (58%), females (55%) and faith Groups - Christians (38%) and Muslims (29%). No consultation has been done with the residents and users <b>before</b> agreeing serious and sensitive cuts of this nature (introducing new charges for adult – elderly - social care) speaks volumes about Mayor Biggs and his administration’s incompetence and lack of care for the most vulnerable.
Stop cuts to school crossing patrols (Lollypop people)	89,000	School crossing patrols (Lollypop people) – Putting safety of children at risk without conformation from all schools that they will continue.
Stop cuts to Child, Adolescent and Mental Health Services (CAMHs)	200,000	This cut will result in a fewer resources for CAMHs services - raising serious concerns about violence and lack of provision for our young people and children.
Stop cuts to Children Services – Early Years provision	4,368,000	This cut will result in deteriorating service and eventual disappearance of some – or at the very least – one Children Centre and/or nursery despite claims to the contrary. We do not believe the same service can be delivered with these cuts.
Stop cuts to burial subsidy to	20,000	This cut will result in removing help from the residents in need who seek help to bury the loved ones.
Stop cuts to Gorsefield Rural Study Centre School trips by children	50,000	This cut will affect the most disadvantaged children and families who are unable to pay.

Page 6

## Tower Hamlets Independent Group – Alternative Budget Proposal (amendment)

February 24, 2016

Reinstate funding for Police Officers that was cut by John Biggs	270,000	Supporting community safety and partnership agenda, making Tower Hamlets safer. Stop cuts in community safety and partnership police.
Tower Hamlets Community Fund – Support and help for voluntary sector - capacity building and interim support to train, and secure match funding, or grant under reviewed MSG grant regime for grass-root community and voluntary organisations.	500,000	Helping those local community organisations across the board who are struggling or facing complete closure due to change, with no or limited capacity and capability despite providing services loved by community and in line with the broader Council objectives. Positive action investment.
Hate Crimes Team - Invest resources in hate crimes - monitoring and prosecution of culprits	200,000	Positive action investment. Hate crimes including Islamophobia, Anti-Semitism and Homophobic crimes are on the rise and need to be properly monitored and culprits prosecuted.
Stop cuts to PGCE bursary for BAME teachers	161,000	Regressive cut and the need to have proportionate amount of teachers is still there.
Drug and ASB hotspots CCTVs	378,500	Positive action investment. Drug dealing and anti-social behaviour ruins community and areas. We need urgent investment.
Increase capacity of our in-house Planning Team	200,000	We need to put in more resources to help officers who deal with well-resourced developers with Tower Hamlets being the prime location.
Income generation – Invest to save team	175,000	Positive action investment. Long term return and different approach to budget cuts. Working towards self-funding principle in 2 years.
<b>Total (spending)</b>	<b>10,693,500</b>	

## **OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE INDEPENDENT PARTY**

The following sets out comments by the Section 151 Officer and the Monitoring Officer 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.

### **Comments of the Chief Financial Officer**

The proposals are considered to be cost neutral in 2016/17, although there are likely to be some additional one-off costs associated with potential redundancies or the termination of contracts. These costs could be met from reserves.

Where savings involve redundancies staffing changes, or service decommissioning, they will be subject to the council's organisational change procedures and are unlikely to be implemented by 1 April 2016. As a result, full year savings will not be realised in 2016/17. In order to mitigate this, additional spending proposals could be delayed, or general reserves used to deal with the financial impact.

The proposals also include a significant (£3.8m) one-off use of reserves to balance the budget in 2016/7. In addition the £2m adjustment based on available 2015/16 out-turn figures is not expected to be an ongoing saving as the budgets have been adjusted in 2016/17, and will therefore have to be met from reserves. The current forecast of £59m savings required by 2020 is predicated on £5.8m of annual savings being delivered in 2016/17 rather than one-off adjustments. It should therefore be noted that this proposal will increase the medium term savings' target by between £5.8m and £23.2m, increasing the need for savings in future years. Additionally, it may limit the scope for using reserves to cover redundancy and slippage costs referred to in the paragraphs above.

### **Comments of the Monitoring Officer**

In coming to decisions in relation to the revenue budget and Council Tax, the Council must act in accordance with its statutory duties and responsibilities; must act reasonably; and must not act in breach of its fiduciary duty to its ratepayers and Council Tax payers. Pursuant to Section 32 of the Local Government Finance Act 1992 a series of calculations are required to work out the Council's budget requirement. The level of these calculations, and in particular the calculation of the budget requirement is of crucial importance both legally and financially as the amount of the budget requirement must be sufficient to meet the Council's budget commitments and thereby ensure a balanced budget (i.e. the Council needs to set its operating revenue at a level to meet operating expenses). This requirement is reinforced by Section 114 of the Local Government Finance Act 1988 which requires the chief finance officer to report in a financial year if the Council is likely to exceed the

resources (including sums borrowed) available to it to meet its expenditure.

This proposed amendment contains savings and spending proposals which balance each other out and consequently achieves the requirement for a balanced budget.

The Council is required when exercising its functions to comply with the duty set out in Section 149 of the Equality Act 2010, namely to have due regard to the need to eliminate unlawful discrimination, advance equality of opportunity between those who share a protected characteristic and those who do not, and foster good relations between those who share a protected characteristic and those who do not. Any proposed changes that may have an equality impact will require some form of equality analysis before they could be implemented.

## **Conservative Budget Amendments 2016/17**

Proposed: Cllr Chris Chapman

Seconded: Cllr Andrew Wood

### This Council welcomes:

1. The Mayor's decision to scrap certain wasteful elements of the previous administration, such as the Mayoral car and chauffeur, and a Mayoral office costing over £350,000.
2. That in tough financial times the Government's changes to Revenue Support Grant result in Tower Hamlets having the sixth-lowest reduction in the Settlement Funding Assessment in the country.
3. The Mayor of London's budget for 2016/17, which through careful stewardship has resulted in a 6.4% cut in the GLA precept compared with 2015/16.

### This Council believes:

1. That while the new administration is making a start in reversing the policies of the previous administration, a more forceful start is needed.
2. That a 3.99% council tax rise is unnecessarily high and increases pressures on the finances of hard working local families, with no obvious corresponding benefit.
3. That proposals to implement a 'no cuts' budget involve using tens of millions of pounds from reserves, which would not be repeatable in 2017/18, and which would endanger the council's financial stability.

### This Council further believes:

1. that the 'One Tower Hamlets' agenda is a legacy of the previous administration, which worked on any principle but 'One Tower Hamlets', and should accordingly be scrapped.
2. that 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 funded by eliminating spending on non-statutory translation.
3. that the council's continued dragging of heels over East End Life under the previous administration was a wanton attempt to continue political propaganda in defiance of the Government's Publicity Code.
4. that this administration should abandon completely a newssheet, which retains the potential to be a propaganda vehicle for the administration that the borough could do without, saving the council taxpayer hundreds of thousands of pounds.
5. That the proposed slashing of the police budget of £270,000 is unwarranted, compromises the public safety, and that the explanation given for this in the budget pack is a party political attempt to transfer the blame for this administration disavowing responsibility for the safety of residents.
6. That Council THEOs are no substitute for an integrated policing force, and that funding for accredited THEOs should be accordingly transferred to fund local ward based PCSOs instead.
7. That the council needs to manage growth effectively, and begin thinking creatively and strategically about providing better services at less cost. Boroughs across London have made substantial savings through merging back-office functions. Creating such joint workings with other boroughs should now be less difficult than it was under an isolationist administration.
8. that, in line with the Mayor's comments at the January council meeting, a fireworks display that costs £120,000 is not justified in the present financial climate.

This Council amends the Mayor's budget as follows:

1. Implement the following reductions in expenditure:

Description	2016/17 Impact	Detail
Mother tongue	£707,000	Remove budget for Mother Tongue
Ethical charter recommendations	£336,000	Option 3 - Low impact version of Ethical Care Charter
One Tower Hamlets	£327,000	Reduction in external payments budget for One Tower Hamlets
Trade Union Facility Time	£258,000	Removal of funding for full time staff
East End Life	£250,000	Discontinue East End Life, and carry out statutory advertising through local newspapers and online
Bonfire Night	£120,000	Ending free event
Celebration events	£100,000	Removal of four celebration events
Non-statutory translation	£82,000	Stop non-statutory translation of documents into foreign languages in order to promote cohesion, and follow DCLG best practice (see ESOL below)
Faith buildings	£53,000	Remove staffing budget related to the administration of the faith building scheme
Media monitoring	£25,000	Ending external cost of monitoring THC news
External venues	£16,000	Ending of use of external venues for staff events
Town Hall subscriptions	£15,000	

2. Implement the following increases in expenditure:

Description	2016/17 Impact	Detail
1.99% Council Tax rebate	£1,471,292	Provide a 1.99% rebate to all households in the borough, worth £17.62 to Band D households
Police extra funding	£200,000	To be left to Borough Commander whether to invest in additional officers or overtime allowing SNT's team to do more night work
ESOL classes	£171,500	Fund extra ESOL classes with the aim of abolishing waiting lists for ESOL, in order to promote cohesion in the borough
Estate regeneration	£50,000	To help fund residents group dealing with regeneration, local version of Michael Heseltine £140m national budget
Joint working	£50,000	Fund to help deliver future savings programme through working with other Councils
Planning enforcement	£45,000	One extra staff member to help enforce agreed planning applications
CCTV control staff	£40,000	One extra operator
Docklands Heritage Boards	£7,208	Repairing existing history boards

3. Reverse the following proposed cut in expenditure:

Description	2016/17 Impact	Detail
Police	£270,000	Reverse the Mayor's proposed cut which is unnecessary and will impact a vital front line service

4. Implement the following increases in income:

Description	2016/17 Impact	Detail
Marsh Wall road rent	£16,000	Charge an annual rent to the developers of the City Pride (Landmark Pinnacle) site, which is occupying part of Marsh Wall road contrary to planning application



5. Reallocate the budgets for the following items:

Description	2016/17 Impact	Detail
THEOs	£1,422,000	Re-allocate money from Council 'police' THEO's to Met police PCSO's
Smoking cessation	£1,300,000	Re-allocate money from ring-fenced public health grant from smoking cessation to mental health, given large amount of smoking cessation material available elsewhere

into these items:

Description	2016/17 Impact	Detail
THEO PCSO replacement	£1,422,000	
Mental health	£1,300,000	

**Capital Budget**

Description	2016/17 Impact	Detail
3D Model	£20,000	To follow example of Southwark Council and GLA and invest in a 3D model of the Borough for planning purposes

**This page is intentionally left blank**

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

The following sets out comments by the Section 151 Officer and the Monitoring Officer 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.

### **Comments of the Chief Financial Officer**

The proposals are deemed to be cost neutral in 2016/17, although there are some additional one-off costs associated with potential redundancies or the termination of contracts. These costs could be met from reserves.

Where savings involve redundancies staffing changes, or service decommissioning, they will be subject to the council's organisational change procedures and are unlikely to be implemented by 1 April 2016. As a result, full year savings will not be realised in 2016/17. In order to mitigate this, additional spending proposals could be delayed, or general reserves used to deal with the financial impact.

### **Comments of the Monitoring Officer**

In coming to decisions in relation to the revenue budget and Council Tax, the Council must act in accordance with its statutory duties and responsibilities; must act reasonably; and must not act in breach of its fiduciary duty to its ratepayers and Council Tax payers. Pursuant to Section 32 of the Local Government Finance Act 1992 a series of calculations are required to work out the Council's budget requirement. The level of these calculations, and in particular the calculation of the budget requirement is of crucial importance both legally and financially as the amount of the budget requirement must be sufficient to meet the Council's budget commitments and thereby ensure a balanced budget (i.e. the Council needs to set its operating revenue at a level to meet operating expenses). This requirement is reinforced by Section 114 of the Local Government Finance Act 1988 which requires the chief finance officer to report in a financial year if the Council is likely to exceed the resources (including sums borrowed) available to it to meet its expenditure.

This proposed amendment contains savings and spending proposals which balance each other out and consequently achieves the requirement for a balanced budget.

The Council is required when exercising its functions to comply with the duty set out in Section 149 of the Equality Act 2010, namely to have due regard to the need to eliminate unlawful discrimination, advance equality of opportunity between those who share a protected characteristic and those who do not, and foster good relations between those who share a protected characteristic and those who do not. Any proposed changes that may have an equality impact will require some form of equality analysis before they could be implemented.

**This page is intentionally left blank**