

LONDON BOROUGH OF TOWER HAMLETS

DECISIONS OF THE COUNCIL

HELD AT 7.00 P.M. ON THURSDAY, 4 MARCH 2021

ONLINE 'VIRTUAL' MEETING - [HTTPS://TOWERHAMLETS.PUBLIC-I.TV/CORE/PORTAL/HOME](https://towerhamlets.public-i.tv/core/portal/home)

1. APOLOGIES FOR ABSENCE

Apologies were received on behalf:

- Councillor John Pierce.

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS AND OTHER INTERESTS

The Director of Legal and Interim Monitoring Officer advised that the Standards Advisory Committee on 4th February 2021 agreed a general dispensation to all Councillors in respect of matters relating to the Council Tax and also on Housing where the Councillor (or spouse or partner) holds a tenancy or lease with the Council. Members did not therefore have to declare a DPI in respect of these matters.

Councillor Kahar Chowdhury declared a Non Disclosable Pecuniary Interest in agenda item 5, Budget and Council Tax 2021/22, in relation to any budget proposals that affected care services. This was on the basis of his wife's employment in the care sector.

Councillor Denise Jones declared a Non Disclosable Pecuniary Interest in agenda item 5, Budget and Council Tax 2021/22, in relation to business rates, as she had a business in the Borough.

Councillor Ayas Miah declared a Non Disclosable Pecuniary Interest in agenda item 5, Budget and Council Tax 2021/22. This was the basis that family Members had businesses in the Borough In Tower Hamlets

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

There were none.

4. TO RECEIVE PETITIONS

There were none

5. BUDGET AND COUNCIL TAX 2021/22

Mayor John Biggs **moved**, the budget and council tax proposals of the Mayor and Executive as set out in the agenda pack and the additional budget commentary motion as set out in the supplementary agenda. Councillor Candida Ronald **seconded** the proposals.

Councillor Peter Golds then **moved** and Councillor Andrew Wood **seconded** an amendment as set out in the supplementary agenda.

Councillor Rabina Khan then **moved** and Councillor Andrew Wood **seconded** an amendment as set out in the supplementary agenda.

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

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

The substantive budget and council tax proposals and additional budget commentary motion submitted by Mayor John Biggs were put to separate recorded votes and were **agreed**.

DECISION:

Additional Budget Commentary Motion:

The Council notes:

1. This year's budget has been particularly challenging . A decade of austerity, increasing demand and the coronavirus pandemic have hit our council hard and made balancing the books ever more difficult.
2. However, despite Covid-19 and the significant uncertainty about our future funding position, the draft Budget protects frontline services and prioritises those in the greatest need including:
 - **£3m to fund Free School Meals for all primary school children**, one of only a small number of councils in the country to do this.
 - Additional funding for **police officers** and our council operated **ASB service**.
 - Our **Tackling Poverty Fund** providing financial support and advice for our most vulnerable residents.
 - Capital funding for hundreds of **new council homes** and **three new secondary schools**.
 - Protection for all of our **Children's Centres, the Brady and Kobi Nazrul centre**.

- A **100% council tax discount for the poorest in our community**, one of the only places in the UK to offer this.
- The **Local Community Fund** and **Small Grants fund** as well as the continuing range of welfare rights services we fund, Linkage Plus services, carers emergency service and carers respite services.
- In addition to these highlights we will maintain a high level of universal services and local presence across our borough.

This Council believes:

1. Covid19 has been a catastrophic event in the life of Tower Hamlets communities, and while much of the support people will need must come from Government, we should look at what we can do to help restore local well-being, and that we should also look to learn from our Covid-19 experiences how to create a more caring and people-centred approach to providing services and supporting people in our community. With the right focus this can be transformational.
2. The flexibility created by increased New Homes Bonus income, plus some possible use of additional Covid-19 funds, means we can make additional one-off investment to fund an ambitious package of support to kickstart our community's Covid-19 recovery, despite the challenges ahead and the need to resolve the problem of overspending and unfunded growth in our core budgets, requiring us to continue with a programme of savings.
3. The financial outlook facing the council continues to be extremely uncertain with significant risks ahead including the economic impact of Covid-19, business rates and council tax income reductions, undelivered savings, the business rates reset, New Homes Bonus reform, the Fair Funding Review and 'levelling up' agenda. Much of this not currently reflected in the MTFS.

This Council Resolves:

1. That plans are drawn up to establish a Covid-19 Recovery Fund, initially of £3m, to provide funding to kickstart our community's recovery from the pandemic over the next 12-24 months and help to ensure we build a brighter post-pandemic future for our borough, for example including:
 - Targeted funding for initiatives to support people back into work or training.
 - Health initiatives to build on the increased public awareness of healthy living
 - A new grants fund for community organisation led projects to help revitalise and build community cohesion as we emerge from lockdown.

- Continued additional support for foodbanks during the recovery phase of the pandemic.
 - Top-up funding for our Resident Support Scheme and Tackling Poverty work.
 - Additional commissioning from the new adult day centre hub focused on projects for older and vulnerable residents to break down isolation and tackle loneliness which has increased over the pandemic.
 - Support, alongside Government funded measures, to mitigate the educational impact of school closures.
 - Covid-19 recovery sport and activities for families and young people over the summer.
2. Having listened to the public consultation we note the Cabinet's decision to retain a five day service at Bethnal Green Library, Cubitt Town Library and Watney Market Idea Store including Saturdays, significantly increasing the proposed opening times and allowing residents more flexibility around when they visit their local library once they are able to open again.

Budget Motion

Revenue and Capital Medium Term Financial Plan 2021-24

1. To note a General Fund Revenue Budget of £363.141m and agree a Council Tax (Band D) of £1,113.26 (Council element) for 2021-22 as set out in the motion and Council Tax Resolution at Annex 1. This incorporates a 1.99% general increase on the previous year and a 3% increase in respect of the Adult Social Care 'Precept'.
2. To note the GLA precept as set out in the Council Tax Resolution
3. To note the Projected Movement in Reserves statement, April 2019 to March 2023 (Annex 2 of the report, Appendix 6) has been updated following further assessment of the latest position.
4. To note the Capital Programme, Housing Revenue Account budget and Dedicated Schools budget.

Treasury Management Strategy Statement, Investment Strategy and Capital Strategy 2021-22

5. To adopt the Treasury Management Strategy Statement set out in Annex 3 of the report Appendix A.
6. To adopt the Investment Strategy Report set out in Annex 3 of the report Appendix B.

7. To adopt the Capital Strategy Report (which incorporates the Minimum Revenue Provision Policy Statement) set out in Annex 3 of the report Appendix C.

Section 25, Local Government Act 2003

8. To note the Section 151 officer's view on the robustness of estimates and adequacy of reserves required under Section 25 of the Local Government Act 2003, set out in section 2 of the report for the Council meeting.

Local Council Tax Reduction Scheme (LCTRS)

9. To note that the Local Council Tax Reduction Scheme will remain unchanged for 2021-22.

**COUNCIL TAX REQUIREMENT 2021-22
BUDGET MOTION**

The Council's 2021-22 Budget Report and Medium Term Financial Strategy 2021-24:

That Council:

1. Approve the Council Tax Resolution, detailed in Appendix A to this motion.
2. Agree a General Fund revenue budget of £363.141m and Council Tax Requirement for Tower Hamlets in 2021-22 of £114.189m.
3. Agree the Council's 2021-22 Budget Report and Medium Term Financial Strategy 2021-24 set out in Annex 2 to the report.
4. Agree the report of the Corporate Director of Resources to the Audit Committee of 28th January 2021; Treasury Management Strategy Statement, Investment Strategy Report and Capital Strategy Report for 2021-22 set out in Annex 3 to the report

Appendix A

**LONDON BOROUGH OF TOWER HAMLETS
COUNCIL 4th MARCH 2021
COUNCIL TAX RESOLUTION**

1. That the revenue estimates for 2021-22 be approved.
2. That it be noted that, at its meeting on 6th January 2021, Cabinet agreed 102,572 as its Council Tax base for the year 2021-22 [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")]
3. That the following amounts be now calculated by the council for the year 2021-22 in accordance with Section 31 to 36 of the Local Government Finance Act 1992 as amended and the Local Authorities (Alteration of Requisite Calculations) (England) Regulations 2011:
 - a) £1,289,511,179 Being the aggregate of the amounts which the council estimates for the items set out in Section 31A(2) of The Act. **[Gross Expenditure]**
 - b) £1,175,321,874 Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of The Act. **[Gross Income]**
 - c) £114,189,305 Being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council, in accordance with Section 31A(4) of The Act, as its council tax requirement for the year. (Item R in the formula in Section 31B of The Act). **[Council Tax Requirement]**
 - d) £1,113.26 Being the amount at 3(c) above (Item R), all divided by Item T (2 above), calculated by the Council, in accordance with Section 31B(1) of The Act, as the basic amount of its Council Tax for the year. **[Council Tax]**
4. Being the amount given by multiplying the amount at 3(d) above by the number which, in the proportion set out in Section 5(1) of The Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of The Act, as the amount to be taken into account for the year in respect of categories of dwellings listed in different valuation bands. **Tower Hamlets Council Tax:**

Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
£742.17	£865.87	£989.57	£1,113.26	£1,360.65	£1,608.04	£1,855.43	£2,226.52

5. That it be noted that for the year 2021-22 the **Greater London Authority (GLA)** has stated the following amounts in precepts issued to the council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
£242.44	£282.85	£323.25	£363.66	£444.47	£525.29	£606.10	£727.32

6. That, having calculated the aggregate in each case of the amounts at 4 and 5 above, the council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2021-22 for each of the categories of dwellings shown below:

Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
£984.61	£1,148.72	£1,312.82	£1,476.92	£1,805.12	£2,133.33	£2,461.53	£2,953.84

7. That the council hereby determines in accordance with Section 52ZB of the Local Government Finance Act 1992, that its relevant basic amount of Council Tax for 2021-22 is not excessive in accordance with the principles approved by the Secretary of State under Section 52ZC of the Local Government Finance Act 1992. As the billing authority, the council has not been notified by a major precepting authority that its relevant basic amount of Council Tax for 2021-22 is excessive and that the billing authority is not required to hold a referendum in accordance with Section 52ZK of the Local Government Finance Act 1992.

(Action by: Kevin Bartle Interim Corporate Director (Resources)

The meeting ended at 9.45 p.m.