

LONDON BOROUGH OF TOWER HAMLETS

DECISIONS OF THE COUNCIL (BUDGET MEETING)

HELD AT 7.30 P.M. ON WEDNESDAY, 3 MARCH 2010

**THE COUNCIL CHAMBER, 1ST FLOOR, TOWN HALL, MULBERRY PLACE, 5
CLOVE CRESCENT, LONDON, E14 2BG**

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Abdul Matin and Mohammed Abdul Munim and for lateness from Councillor Clair Hawkins.

2. DECLARATIONS OF INTEREST

Please see minutes.

3. TO RECEIVE ANNOUNCEMENTS (IF ANY) FROM THE MAYOR, LEADER OF THE COUNCIL, MEMBERS OF THE CABINET OR THE CHIEF EXECUTIVE

Please see minutes.

4. TO RECEIVE ANY PETITIONS OR DEPUTATIONS

No petitions or deputations were received for this meeting.

5. BUDGET AND COUNCIL TAX 2010/11

5.1 Report of the Cabinet Meeting of 10th February 2010

Three amendments to the Cabinet's budget proposals, moved by Councillor Tim Archer, Councillor Abjol Miah and Councillor Stephanie Eaton respectively, were each debated and defeated.

DECISIONS

A. General Fund Revenue Budget Requirement and Council Tax 2010/2011

1. That a total Budget Requirement be agreed for Tower Hamlets in 2010/11 of £310,369,000.
2. That a Council Tax be agreed for Tower Hamlets in 2010/11 of £885.52 at Band D, as detailed in the table below: -

	2009/10	2010/11
	£	£
Adults Health & Wellbeing	89,547,000	90,217,000
Children's Services	96,795,000	93,896,000
Development and Renewal	17,702,000	12,424,000
Communities, Localities and Culture	74,499,000	74,911,000
Resources	15,904,000	18,363,000
Chief Executive's	10,871,000	13,368,000
Corporate/Capital	14,174,000	17,748,000
Total Directorate Budgets	319,492,000	320,927,000
Corporate Contingency	-	7,763,000
Provision for Future Growth	-	2,200,000
Contribution to Investment Reserve	-	2,900,000
Local Public Service Agreement	(660,000)	(700,000)
Parking Control Account	(3,040,000)	(3,310,000)
Housing Choice Earmarked Reserve	-	-
Efficiency Reserve	689,000	689,000
Funding for Accelerated Delivery Programme	-	(1,802,000)
Asset Management Reserve	-	-
Insurance Fund	500,000	500,000
Area Based Grant income	(19,055,000)	(18,798,000)
Council Net Budget	297,926,000	310,369,000
Formula Grant	(228,816,291)	(232,203,778)
Council Net Budget After Formula Grant	69,109,709	78,165,222
Collection Fund (Surplus)/Deficit	2,000,000	(3,478,000)
Net Budget Requirement	71,109,709	74,687,222
Council Tax Base	80,303	84,343
COUNCIL TAX AT BAND D	£885.52	£885.52

- a) Resulting in a Council Tax for all other band taxpayers, before any discounts, and excluding the GLA precept, as set out in the Table below:-

BAND	PROPERTY VALUE		RATIO TO BAND D	LBTH COUNCIL TAX FOR EACH BAND £
	FROM	TO		
A	0	40,000	$\frac{6}{9}$	£590.35
B	40,001	52,000	$\frac{7}{9}$	£688.74
C	52,001	68,000	$\frac{8}{9}$	£787.13
D	68,001	88,000	$\frac{9}{9}$	£885.52
E	88,001	120,000	$\frac{11}{9}$	£1,082.30
F	120,001	160,000	$\frac{13}{9}$	£1,279.08
G	160,001	320,000	$\frac{15}{9}$	£1,475.87
H	320,001	and over	$\frac{18}{9}$	£1,771.04

3. That for the London Borough of Tower Hamlets in 2010/2011:-

- (a) The Council Tax for Band D taxpayers, before any discounts, and including the GLA precept, shall be £1,195.34 as shown below: -.

	£
	(Band D, No Discounts)
LBTH	885.52
GLA	309.82
Total	1,195.34

- (b) The Council Tax for taxpayers in all other bands, before any discounts, and including the GLA precept, shall be as detailed in the table below: -

BAND	PROPERTY VALUE		RATIO TO BAND D	LBTH £	GLA £	TOTAL £
	FROM	TO				
A	0	40,000	$\frac{6}{9}$	£590.35	£206.55	£796.90
B	40,001	52,000	$\frac{7}{9}$	£688.74	£240.97	£929.71
C	52,001	68,000	$\frac{8}{9}$	£787.13	£275.40	£1,062.53
D	68,001	88,000	$\frac{9}{9}$	£885.52	£309.82	£1,195.34
E	88,001	120,000	$\frac{11}{9}$	£1,082.30	£378.67	£1,460.97
F	120,001	160,000	$\frac{13}{9}$	£1,279.08	£447.52	£1,726.60
G	160,001	320,000	$\frac{15}{9}$	£1,475.87	£516.37	£1,992.24
H	320,001	and over	$\frac{18}{9}$	£1,771.04	£619.64	£2,390.68

- 4 That the statutory calculations of this Authority's total Budget requirement in 2010/2011, as detailed in Appendix A to the motion and set out at pages 16-18 of the Document Pack, undertaken by the Chief Financial Officer in accordance with the requirements of Sections 32 to 36 of the Local Government Finance Act 1992, be approved.

B. Capital Programme 2010/11 to 2012/13

1. That the allocation of resources provided by the Government and other funding bodies for specific purposes, to support Directorate Mainstream Capital Programmes, be approved as set out in Appendix A to Annex 3 of the report of the Cabinet;
2. That the allocation of resources to the Local Priorities Programme, including pre-agreed projects and unavoidable capital schemes for 2010/11; be approved as set out in Appendix B to Annex 3 of the report of the Cabinet;
3. That the revised Capital Strategy for 2010 – 2025 be approved as set out at Appendix C to Annex 3 of the report of the Cabinet; and

4. That the Council notes that further allocations of mainstream resources would be reported to the Cabinet as they occur during the financial year.

C. 2010/11 Prudential and Treasury Indicators

1. That the Operational Boundaries for External Debt be agreed as set out in section 10.3 of the report included at Annex 4 to the report of the Cabinet.
2. That the Authorised Limits for External Debt be agreed as set out in section 10.3 of the report included at Annex 4 to the report of the Cabinet.
3. That the prudential indicators be agreed as set out in sections 8 – 11 of that report as required under the Prudential Borrowing Code
4. That the Corporate Director of Resources, after consultation with the Lead Member for Resources and Performance, be authorised to revise the indicators contained in recommendations 2.1 to 2.3 of that report to reflect any developments between the meetings of Cabinet held on 10th February 2010 and Full Council on 3rd March 2010.

D. Treasury Management Strategy Statement, Minimum Revenue Provisional Policy Statement and Annual Investment Strategies 2010/11

1. That the Treasury Management Strategy Statement, as set out in Sections 6 - 10 of the report attached at Annex 5 to the report of the Cabinet, be agreed.
2. That the Annual Investment Strategy, as set out in Section 11 of that report, be agreed
3. That the Minimum Revenue Provision Policy Statement, as set out in Section 12 of that report, be agreed.
4. That the Treasury Management Strategy Statement, the Annual Investment Strategy and the Minimum Revenue Provision Policy Statement as set out in the body of that report, be adopted and that officers involved in treasury management must follow these policies and procedures.
5. That the Corporate Director of Resources, after consultation with the Lead Member for Resources and Performance, be delegated authority to vary the figures in the report to reflect decisions made in relation to the Capital Programme prior to submission to Budget Council.

(Action by: Chris Naylor, Corporate Director, Resources)

6. PROPORTIONALITY AND APPOINTMENT TO COMMITTEES

Additional item considered on grounds of urgency.

DECISION

1. That the review of proportionality at paragraph 3 of the report of the Service Head, Democratic Services be noted, and the allocation of seats on committees and panels for the remainder of the Municipal year 2009/10 be amended as follows:-
 - (a) the allocation of one seat currently occupied by the Labour Group on the Licensing Committee to the Conservative Group; and
 - (b) the allocation of one seat currently occupied by the Liberal Democrat Group on the Appeals Committee to the Conservative Group;
2. That Members and deputies be appointed to serve on the committees and panels affected by the above changes in accordance with the nominations from the political groups to be notified to the Assistant Chief Executive;
3. That the Councillor Anwara Ali be removed as Lead Member for Health and Wellbeing;
4. That the Council notes that the Leader of the Council will take responsibility for the Health and Wellbeing portfolio for the remainder of this administration; and
5. That the Special Responsibility Allowance for the post of Lead Member, Health and Wellbeing, be not paid out for the remainder of the administration.

(Action by: John S. Williams, Service Head, Democratic Services)

The meeting ended at 9.35 p.m.