

LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE BUDGET COUNCIL 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**

Members Present:

Councillor Helal Abbas	Councillor Ann Jackson
Councillor Ohid Ahmed	Councillor Denise Jones
Councillor Rajib Ahmed	Councillor Dr. Emma Jones
Councillor Rofique U Ahmed	Councillor Azizur Rahman Khan
Councillor Anwara Ali	Councillor Rania Khan
Councillor Shahed Ali	Councillor Shiria Khatun
Councillor M. Shahid Ali	Councillor Harun Miah
Councillor Tim Archer	Councillor Abjol Miah
Councillor Abdul Asad	Councillor Fozol Miah
Councillor Lutfu Begum	Councillor Tim O'Flaherty
Councillor Philip Briscoe	Councillor Ahmed Adam Omer
Councillor Alibor Choudhury	Councillor Joshua Peck
Councillor Stephanie Eaton	Councillor Lutfur Rahman
Councillor Rupert Eckhardt	Councillor Oliur Rahman
Councillor Marc Francis	Councillor M. Mamun Rashid
Councillor Peter Golds	Councillor Muhammad Abdullah Salique
Councillor Fazlul Haque	Councillor A A Sardar
Councillor Shafiqul Haque	Councillor Rachael Saunders
Councillor Carli Harper-Penman	Councillor David Snowdon
Councillor Clair Hawkins	Councillor Bill Turner
Councillor Alexander Heslop	Councillor Dulal Uddin
Councillor Shirley Houghton	Councillor Abdal Ullah
Councillor Ahmed Hussain	Councillor Salim Ullah
Councillor Sirajul Islam	Councillor Motin Uz-Zaman
Councillor Waiseul Islam	

The Mayor, Councillor Ahmed Adam Omer, in the Chair

1. APOLOGIES FOR ABSENCE

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

RESOLVED

That the apologies for absence and lateness be noted.

2. DECLARATIONS OF INTEREST

Councillors made declarations of interest on the item included on the agenda as follows:-

Councillor	Item	Type of interest	Reason
Helal Abbas	5.1	Personal	Board member of Tower Hamlets Community Housing
Dr. Anwara Ali	5.1	Personal	Accelerated Growth Programme – NHS GP
Tim Archer	5.1	Personal	Co-opted Board member of Tower Hamlets Community Housing
Abdul Asad	5.1	Personal	I work as a Youth Service provider of LAP 4
Lutfa Begum	5.1	Personal	I work for the NHS
Shafiqul Haque	5.1	Personal	Board member of Tower Hamlets Homes
Alex Heslop	5.1	Personal	Board member of Tower Hamlets Homes
Ahmed Hussain	5.1	Personal	I work for the NHS
Sirajul Islam	5.1	Personal	Board member of Tower Hamlets Community Housing
Waiseul Islam	5.1	Personal	Board member of Tower Hamlets Community Housing
Denise Jones	5.1	Personal	Board member of Tower Hamlets Homes and non executive board member, NHS Tower Hamlets PCT
Rania Khan	5.1	Personal	Poplar Harca Board member
Salim Ullah	5.1	Personal	Board member of Tower Hamlets Community Housing
Motin Uz-Zaman	5.1	Personal	I work for the NHS

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

Dispatches Programme – Monday 1st March 2010

The Leader of the Council, Councillor Lutfur Rahman, referred to a television documentary 'Dispatches' that had been broadcast by Channel 4 on Monday evening. He stated that members of the administration were not complacent about the issues raised but they would not be distracted from their work on behalf of the people of the borough. The Council was committed to the highest

standards of probity and the programme had contained no direct allegations of wrong doing about the allocation of funds nor any new issues regarding staffing. The Leader rejected those who sought to divide the community and stressed the Council's Members were committed to One Tower Hamlets.

4. TO RECEIVE ANY PETITIONS OR DEPUTATIONS

There were no petitions or deputations.

5. BUDGET AND COUNCIL TAX 2010/11

5.1 Report of the Cabinet Meeting of 10th February 2010

The Council considered the report of the Cabinet meeting on 10th February 2010 containing the proposals of the Executive for the Council's Budget and Council Tax for 2010/11.

Three amendments had been notified in advance in accordance with the Council Procedure Rules and these amendments, together in each case with officer comments, were circulated to the meeting in the pack of tabled documents.

It was **MOVED** by Councillor Ohid Ahmed and **SECONDED** by Councillor Lutfur Rahman – "That the recommendations contained in the 10th February 2010 report of the Cabinet be agreed."

Councillor Ohid Ahmed, Lead Member for Resources and Performance, introduced the report and recommendations of the Cabinet and outlined the key elements of the Executive's proposed budget for 2010/11.

MOVED as an **AMENDMENT** by Councillor Timothy Archer, **SECONDED** by Councillor David Snowdon – "That the motion be amended as per the tabled motion from Councillor Archer (attached at Appendix A).

MOVED as a further **AMENDMENT** by Councillor Abjol Miah, **SECONDED** by Councillor Dulal Uddin – "That the motion be amended as per the tabled motion from Councillor Miah (attached at Appendix B).

MOVED as a further **AMENDMENT** by Councillor Stephanie Eaton, **SECONDED** by Councillor Azizur Rahman Khan – "That the motion be amended as per the tabled motion from Councillor Eaton (attached at Appendix C).

The meeting then debated the budget proposals of the Cabinet and the respective amendments moved as above, in accordance with the Budget Council Procedure Rules.

Following debate, Councillor Abjol Miah **MOVED** and Councillor Harun Miah **SECONDED** – "That the question be now put".

On being put to the vote, the procedural motion was **agreed**.

Prior to the vote Councillor Ohid Ahmed, Lead Member for Resources and Performance addressed the meeting under his right of reply.

Following this, the amendment **MOVED** by Councillor Timothy Archer was first put to the vote and was **DEFEATED**.

The amendment **MOVED** by Councillor Abjol Miah was then put to the vote and was **DEFEATED**.

The amendment **MOVED** by Councillor Stephanie Eaton was then put to the vote and was **DEFEATED**.

The original motion moved by Councillor Ohid Ahmed was then put to the meeting.

At this juncture, more than ten Members rose to request a recorded vote (Rule 17.4). Accordingly the motion was put to the vote and Members voted as follows:

For (40 Councillors)

Councillor Lutfur Rahman
Councillor Abjol Miah
Councillor Stephanie Eaton
Councillor Helal Abbas
Councillor Ohid Ahmed
Councillor Rajib Ahmed
Councillor Rofique Uddin Ahmed
Councillor Mohammed Shahid Ali
Councillor Shahed Ali
Councillor Abdul Asad
Councillor Lutfa Begum
Councillor Alibor Choudhury
Councillor Marc Francis
Councillor Fazlul Haque
Councillor Shafiqul Haque
Councillor Carli Harper-Penman
Councillor Clair Hawkins
Councillor Alexander Heslop
Councillor Sirajul Islam
Councillor Waiseul Islam
Councillor Ann Jackson
Councillor Denise Jones
Councillor Azizur Rahman Khan
Councillor Rania Khan
Councillor Shiria Khatun
Councillor Fozol Miah
Councillor Harun Miah
Councillor Timothy O'Flaherty
Councillor Joshua Peck
Councillor Oliur Rahman
Councillor Mohammed Mamun Rashid
Councillor Muhammad Abdullah Salique

Councillor Abdul Aziz Sardar
Councillor Rachael Saunders
Councillor Bill Turner
Councillor Dulal Uddin
Councillor Abdal Ullah
Councillor Salim Ullah
Councillor Motin Uz-Zaman
Councillor Ahmed Adam Omer (The Mayor)

Against (0 Councillors)

Abstentions (9 Councillors)

Councillor Peter Golds
Councillor Dr. Anwara Ali
Councillor Timothy Archer
Councillor Philip Briscoe
Councillor Rupert Eckhardt
Councillor Shirley Houghton
Councillor Ahmed Hussain
Councillor Dr. Emma Jones
Councillor David Snowdon

The motion was therefore **agreed** and accordingly it was:-

RESOLVED

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

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 and summarised in the table below:-

Directorate	£ million
Adults, Health & Wellbeing	0.392
Children, Schools and Families (including Building Schools for the Future)	123.835
Communities, Localities & Culture	2.900
Development & Renewal	0.890
HRA	36.598
TOTAL	164.615

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.

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 as follows:-

Operational Boundary for External Debt	2008/09	2009/10	2010/11	2011/12	2012/13
	Actual	Estimate	Estimate	Estimate	Estimate
	£M	£M	£M	£M	£M
Borrowing	445.000	495.000	545.000	575.000	595.000
Other Long Term Liabilities	0.000	0.000	0.000	0.000	0.000
Total	445.000	495.000	545.000	575.000	595.000

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 as follows:-

Authorised Limit for External Debt	2008/09	2009/10	2010/11	2011/12	2012/13
	Actual	Estimate	Estimate	Estimate	Estimate
	£M	£M	£M	£M	£M
Borrowing	465.000	515.000	565.000	595.000	615.000
Other Long Term Liabilities	0.000	0.000	0.000	0.000	0.000
Total	465.000	515.000	565.000	595.000	615.000

3. That the prudential indicators be agreed as set out in sections 8 – 11 of that report as required under the Prudential Borrowing Code.

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.

6. PROPORTIONALITY AND APPOINTMENT TO COMMITTEES

This additional item was considered by the meeting on grounds of urgency. The Chief Executive advised the Council that the Mayor had agreed that the tabled report of the Service Head, Democratic Services should be taken as urgent business, and the Chief Executive had agreed under Council Procedure Rule 2A.2.6 that the item could be taken at the Budget Meeting, because the Council was required to carry out a review of proportionality as soon as practicable after a change in political composition of the authority.

Councillor Lutfur Rahman **MOVED** and Councillor Joshua Peck **SECONDED** the recommendations in the report subject to a tabled amendment as follows:-

“This Council resolves:

To remove Councillor Anwara Ali as Lead Member for Health and Wellbeing.

To note that the Leader of the Council will take responsibility for this portfolio for the remainder of this administration.

To not pay out the SRA for this post for the remainder of the administration.

To allocate one seat currently occupied by the Labour Party on the Licensing Committee to the Conservative Party.

To allocate one seat currently occupied by the Liberal Democrat Party on the Appeals Committee to the Conservative Party.”

The Service Head, Democratic Services confirmed that should it be agreed, the proposed amendment would result in an allocation of committee places that was in accordance with the proportionality regulations.

After debate, Councillor Oliur Rahman **MOVED** and Councillor Joshua Peck **SECONDED** – “That the question be now put.” On being put to the vote, the procedural motion was **agreed**.

The tabled amendment moved by Councillor Lutfur Rahman was then put to the vote and was **agreed**.

The substantive recommendations as amended were then put to the vote and were **agreed**. Accordingly it was:

RESOLVED

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;

[Note from Clerk: The allocation of seats on committees and panels established for the remainder of the 2009/10 municipal year is therefore agreed as follows]:-

Committee	Total	Labour	Conser- vative	Respect	Liberal Democrat
Development	9	6	1	1	1
Strategic Development	9	6	1	1	1
General Purposes	7	5	1	1	-
Human Resources	7	5	1	1	-
Appeals	9	6	2	1	-
Pensions Committee	9	5	2	1	1
Audit Committee	7	4	1	1	1
Overview & Scrutiny (plus 5 co-optees)	9	6	1	1	1
Health Scrutiny Panel	7	4	1	1	1
Licensing	15	8	4	2	1

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 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.

The meeting ended at 9.35 p.m.

Chair,
Council

APPENDIX A

COUNCIL 3rd March 2010

BUDGET REQUIREMENT & COUNCIL TAX 2010/11

CAPITAL PROGRAMME 2010/11

**AGENDA ITEM 5.1 REPORT OF THE CABINET MEETING HELD ON
10th February 2010**

**AMENDMENT PROPOSED BY: COUNCILLOR TIM ARCHER
AMENDMENT SECONDED BY: COUNCILLOR DAVID SNOWDON**

This Council

1. Notes that in the current economic environment Councils across London are trying to minimise the impact of the recession on residents by keeping Council Tax rises as low as possible and that efficient councils are able to offer residents a cut.
2. That the Labour Government has cut the ESOL budget for Tower Hamlets College by £1.2m
3. That the recent You Decide events have clearly highlighted the concerns that the community has regarding levels of crime and grime in the borough.
4. That there are some 23,000 people on the Tower Hamlets housing waiting list, a figure that is rising not falling.
5. Notes the waste of this council in spending millions on consultants, advertising and propaganda.
6. Notes the £54m black hole in the finances of the Council commencing 2011/2010.
7. Notes the budget proposals recommended by the Cabinet and amends them as set out below.
8. That the following additional savings be implemented;

Budget	Description of saving	2010/11 budget saving implication (£)
East End Life	Discontinue publication of East End Life and have a special supplement in the East London Advertiser and Bengali Press	589,000
Press Office	Reduce the size of the press office to the minimum level.	278,852
Members' Allowances	Reduce Members allowances by 10%	51,326
Lead Members	Reduce the number of Cabinet	42,081

	Members from 10 to 7 by merging the roles of Lead Member for Housing & Development and lead Member for Regeneration, Localisation and Community Partnerships, merging the Resources Lead into the Deputy Leader's role, and merging Culture Lead with Cleaner, Safer, Greener.	
Deputy Mayor	Scrap last year's 50% pay raise for the Deputy Mayor	1,437
Special Responsibilities	Abolish Special Responsibility Payments for: Chairs of Licensing, Appeals, General Purposes, Audit, HR, Pensions Committees and Olympic Ambassador	49,635
Lead Members	Reduce special responsibility payment for each Lead Member to £8291	28,680
Other Special Responsibility Payments	Chair of Dev Committee, O&S, Leader of Gp with more than 6 cllrs, to be cut to basic SRA	8,700
Leader and Deputy Leader	Cut SRA by 25%	11,420
Senior Officers	Half the number of Assistant Chief Executives.	195,000
Subscriptions	Cancel membership of the Local Government Association and the Local Government Information Unit.	60,023
Advertising	Reduce advertising budget by 50%	225,000
Communications	Scrap the 'In the news' press cuttings service	7,500
Travel costs	10% saving on all staff travel costs.	35,000
Conferences	End all attendance at conferences	250,000
Food costs	Discontinue the serving of food at Council meetings save for Civic functions	16,000
Administrative support	Delete the post of Leaders executive assistant	52,000
Administrative support	Delete the posts of the political advisors	92,036
Administrative support	Remove administrative support to Lead Members	105,000
Fines	As a result of investment in more Animal wardens and litter wardens, increase revenue	17,000

	generated from fines	
Participation and Engagement Team	Reduce headcount of this team by 2	100,000
Consultants	Reduce spend on consultants (in excess of 80 are currently used) by 20%	247,346
Total additional savings		2,463,036

9. That the following additional growth be agreed;

Special Constables	Apply a 100% Council Tax discount for all Special Constables paying Council Tax in the Borough	88,000
Community Safety	Provide an extra 17 Police Officers, one extra per ward.	680,000
Wardens	Provide an additional 2 dog wardens, 2 park wardens and 2 litter wardens in the Borough	232,000
Recycling	Introduce a scheme to make pink recycling bags available at local shops	10,000
Housing	Double the budget for the Underoccupation scheme	103,071
Road Repairs	Double the budget for repairing pot-holes and carriageway maintenance	283,018
ESOL classes	Deliver an additional 368 ESOL class places (via TH College) for residents of the borough, free of charge.	329,019
Total additional growth		1,725,108

10. Dealing with Labour's £54m black hole:

Accommodation strategy

Given the £1.8m Accommodation strategy overspend, the lease on Anchorage House should not be renewed in two years time, saving £8m per annum.

Shared back office services

Officers should be asked to investigate the possibilities of setting up a shared back office function covering HR, Legal and Finance, the services of which can be sold to other boroughs, RSLs operating in Tower Hamlets and NHS Tower Hamlets. This could lead to sizable cost savings in future years from the existing £5m budget per annum for these items.

11. **200 New Council Homes/Henry Moore sculpture**

The borough owns an original sculpture by Henry Moore, entitled 'Draped Seated Women' which is currently located 200 miles away in Wakefield. The borough should either bring the sculpture back to the borough where it can be enjoyed by all the residents of the borough or it should be sold and the proceeds invested in social housing.

If sold the sculpture could reasonably be expected to fetch many millions. This dowry should be gifted to a local RSL together with the freehold ownership of the Renault showroom on the Commercial Road to build a minimum expected 200 new homes for social-rent, providing 1,000 new bedrooms for the 23,000 on the housing waiting list.

12. **Free school meals for all primary and secondary school children in the borough.**

Given that Tower Hamlets has the 2nd worst rates of childhood obesity of anywhere in the UK, the LBTH Schools Forum will be asked to agree to fund out of their budget surpluses free school meals for every child in the borough. Currently LBTH schools have £29m of surplus budget that they are holding, of which £9m is unallocated. The cost of providing free school meals from Sept 2010 onwards is circa £6-7m pa.

13. That in consequence of the above changes, the budget requirement for 2010/11 be amended to £309,631m

14. The remaining amount £738,000 be used to reduce the proposed Council Tax, so that the Council Tax for Tower Hamlets for 2010/11 is £876.77 at Band D, **a decrease of 1%.**

APPENDIX B

COUNCIL 3rd MARCH 2010

BUDGET REQUIREMENT & COUNCIL TAX 2010/11

**AGENDA ITEM 5.1 REPORT OF THE CABINET MEETING HELD ON
10th February 2010**

**AMENDMENT PROPOSED BY: Councillor Abjol Miah
SECONDED BY: Councillor Dulal Uddin**

This council notes that:

- 1) In a time of recession, it would be irresponsible and undesirable to raise council tax but with the threat of big cuts in government grant over the next few years it would also be irresponsible to cut council tax at this time
- 2) Nonetheless significant redeployment of resources from communications, including closing East End Life, would allow a boost to apprenticeships at the Olympics site where there has been a chronic lack of employment of Tower Hamlets residents and to raise the threshold for free school meals to improve healthy eating and combat obesity
- 3) The modest realisation of assets would allow for the pedestrianisation of Brick Lane making it more attractive to residents and tourists and boosting income to the borough and provide toilets for the Brick Lane market
- 4) There is the looming massive hole in the council's budget from the financial next year, currently estimated to be as high as £18 million in 2011/2012
- 5) There need to be urgent steps to boost and secure funding for the council's essential public service spending including, boosting the revenue base for the council needs by lifting the council tax cap on the highest value properties and making the council tax more progressive and related to ability to pay, returning control over the business rates to the council, lifting controls over the council borrowing to invest, boosting central government funding through a Robin Hood Tax, and by the council taking a pro-active role in encouraging foreign direct investment into socially beneficial projects.

This Council agrees:

The budget proposals recommended by the Cabinet and amends them as set out below;

That the following additional savings be implemented;

Budget	Description of saving	2010/11 budget saving implication (£)
East End Life	Scrap East End Life	743,000
Legal Services	Reduce total service costs by 5%	194,000
Communications Team	Reduce total service costs by 5%	165,000
Directorate Communications	Request all Directorates to save £40,000 by reducing the cost of communication and marketing within their Directorate	200,000
TOTAL ADDITIONAL SAVINGS		1,302,000

To pedestrianise Brick Lane at a cost of up to £2m, contingent upon the sale of surplus office accommodation at Underwood Road for a sum estimated at £2.5m.

To utilise the remaining estimated £500,000 from the sale of Underwood Road to fund planned capital expenditure, enabling the equivalent amount of revenue funding to be released on a one-off basis.

To provide £750,000 for the provision of additional Olympics apprenticeships and request officers to negotiate with the Olympic Delivery Authority and other Olympic bodies for a contribution to costs to target a total of 100 additional apprenticeships.

Noting proposals by the Government to increase the threshold for Free School Meals, request officers to investigate a further increase in the threshold to the value of the balance of funding available from savings and asset disposals (£1,052,000).

That in consequence of the above, the budget requirement for 2010/11 be as recommended by the Cabinet, at £310.369m

That the Council Tax for Tower Hamlets for 2010/11 is £885.52 at Band D, no increase in the figure for 2009/10.

9. That the proposed one year trial of universal provision in Tower Hamlets would evaluate the benefits to all children including benefits for those children whose parents are not currently eligible for free meals.
10. That government grants to local authorities are likely to reduce substantially from 2011/12, hence it is essential to establish now the benefits that free school meals to all primary school children.

This Council also notes:

The comments of Roberta Blackman-Woods MP (City of Durham) who stated last year

“For those who are not yet convinced of the benefits of free school meals - I am sure there are not many out there - I shall highlight a few of them. Throughout the pilot areas, children in our primary schools are receiving a hot, nutritious, free school meal at lunch time. Take-up is high. In addition to the nutritional benefits, and there are many, there is no longer any stigma in taking a free school meal, because all children have them. Even though the pilot has been running for only a few weeks, teachers are already reporting better concentration levels among pupils in the afternoon. The economic benefits of free school meals are substantial for parents. That has been particularly important because the project has been launched in a period of economic downturn. Not having to pay for their children's school meals saves parents £8.50 a week per child. Many local parents have told me that the pilot has made all the difference to their family weathering the recession. Many families with two children in primary school are saving £633 a year.

Much of the food is sourced locally, so local businesses and farmers are also benefiting from the programme and, as I said, additional jobs have been created. We are all terribly concerned about climate change, so we should note that food miles are also being cut, with enormous environmental benefits. Lastly, children are learning social skills and how to eat healthily, which will hopefully help us to tackle obesity in future.”

This Council agrees:

The budget proposals recommended by the Cabinet and amends them as set out below;

That the following additional savings be implemented;

Budget	Description of saving	2010/11 budget saving implication (£)
East End Life	Adopt a monthly format instead of the current weekly	553,000

	format at a cost of £190,000 a year.	
Planning Fees	Increase income from pre-application fees and administration fees by 10%, asking officers to ensure that full costs are recovered	15,000
Legal Services	Reduce costs by 5%	194,000
Communications Team	Reduce costs by 5%	165,000
Directorate Communications	Request all Directorates to save £40,000 by reducing the cost of communication and marketing within their Directorate	200,000
TOTAL ADDITIONAL SAVINGS		1,127,000

- (i). To seek to provide free school meals to *all* Primary School children for one year at a cost of up to £4.035m (assuming 90% take-up), and fund as follows;
- Council contribution from revenue savings above totalling **£1,127,000**.
 - By sale of vacant premises at Underwood Road, enabling £900,000 of capital spending currently planned to be funded from revenue to be funded from capital receipts, increasing the Council's total contribution to **£2,027,000**.
 - Initiate a dialogue with schools and the NHS to fund the balance representing less than half the cost.
- (ii). That in consequence of the above, the budget requirement for 2010/11 be as recommended by the Cabinet, at £310.369m
- (iii). That the Council Tax for Tower Hamlets for 2010/11 is £885.52 at Band D, no increase in the figure for 2009/10.