

LONDON BOROUGH OF TOWER HAMLETS

DECISIONS OF THE COUNCIL

HELD AT 7.30 P.M. ON TUESDAY, 8 MARCH 2011

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

1. APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of Councillors Rajib Ahmed, Mohammed Mukit and Abdal Ullah and for lateness from Councillor Zara Davis.

2. DECLARATIONS OF INTEREST

No declarations of interest were made.

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

No announcements were made at this meeting.

4. BUDGET AND COUNCIL TAX 2011/12

Mayor Lutfur Rahman introduced and Councillor Alibor Choudhury moved, the revised budget proposals of the Mayor and Executive. Councillor Rabina Khan seconded the proposals.

Two amendments were tabled and moved as follows:

- (i) Amendment proposed by Councillor Helal Abbas and seconded by Councillor David Edgar;
- (ii) Amendment proposed by Councillor David Snowdon and seconded by Councillor Timothy Archer

Councillor Alibor Choudhury indicated that the Mayor and Executive were unable to accept the amendments proposed.

Following debate, the amendment proposed by Councillor Helal Abbas was put to a recorded vote. The amendment did not achieve the two-thirds majority of Councillors present and voting that is required by the Budget and Policy Framework Procedure Rules for an amendment to succeed at this meeting. The amendment was therefore **defeated**.

The amendment proposed by Councillor David Snowdon was then put to the vote and was **defeated**.

As no amendment had achieved a two-thirds majority of Councillors present and voting on the matter, the Mayor's revised budget proposals were **agreed**.

DECISION

A. General Fund Revenue Budget Requirement and Council Tax 2011/2012

1. That the budget proposals of the Mayor and Executive, included in the Budget Council Document Pack submitted to the Council Meeting on 23rd February 2011 and subsequently revised as set out at Appendix 1 to this decision sheet, be agreed.
2. That a total Budget Requirement for Tower Hamlets in 2011/12 of £310.960M be agreed.
3. That a Council Tax be agreed for Tower Hamlets in 2011/12 of £885.52 at Band D,
 - 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

4. That for the London Borough of Tower Hamlets in 2011/12:-

(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

5. That the statutory calculations of this Authority's total Budget requirement in 2011/12 as detailed in Appendix 2 to this decision sheet, undertaken by the Chief Financial Officer in accordance with the requirements of Sections 32 to 36 of the Local Government Finance Act 1992, be agreed.

6. That subject to the revisions to the revenue budget set out at Appendix 1, the Capital Programme, Treasury Management Strategy, and Investment Strategy be approved as set out in the Budget Council Document Pack.

APPENDIX 1**MAYORAL PROPOSAL FOR SECOND BUDGET COUNCIL MEETING
BUDGET AMENDMENTS 2011/12 BUDGET COUNCIL**

		£m
Budget Requirement (as per pack)		310.960
	Budget increases	Budget reductions (funding)
Use of Earmarked Reserves		1.640
Employment initiatives	1.040	
Contribution to Capital (*)	0.600	
Junior Youth Service	0.060	
Delete AHWB/1 Housing Link	0.252	
Delete CE/2 Democratic Services	0.243	
Housing Link revised saving		0.078
Support to Mayor & Councillors- non pay		0.082
Support to Mayor & Councillors- staffing		0.230
East End Life		0.200
Bartlett Park	0.060	
Communications Service		0.060
Allocation to reserves to balance	0.035	
Net change		0.000
Revised budget requirement		310.960
Formula Grant		-229.673
Collection Fund		-2.549
	Council Tax Requirement	78.738
	Council Tax Base	88917
Council Tax		
	Band A	590.35
	Band B	688.74
	Band C	787.13
	Band D	885.52
	Band E	1082.30
	Band F	1279.08
	Band G	1475.87
	Band H	1771.04

(*) in addition to £2.9m capital receipts, for affordable housing measures

APPENDIX 2

**LONDON BOROUGH OF TOWER HAMLETS
COUNCIL 8TH MARCH 2011
BUDGET & COUNCIL TAX STATUTORY CALCULATIONS**

**SETTING THE AMOUNT OF COUNCIL TAX FOR THE
COUNCIL'S AREA**

1. That the revenue estimates for 2011/2012 be approved.
2. That it be noted that, at its meeting on 12th January 2011, Cabinet calculated 88,917 as its Council Tax base for the year 2011/2012 in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 made under Section 33(5) of the Local Government Finance Act 1992.
3. That the following amounts be now calculated by the Council for the year 2011/2012 in accordance with Section 32 to 36 of the Local Government Finance Act 1992 as amended and the Local Authorities (Alteration of Requisite Calculations) (England) Regulations 2011:
 - (a) £987,896,000 Being the aggregate of the amounts which the Council estimates for the items set out in Section 32(2)(a) to (e) of The Act. [Gross Expenditure]
 - (b) £676,936,000 Being the aggregate of the amounts which the Council estimates for the items set out in Section 32(3)(a) to (c) of The Act. [Gross Income]
 - (c) £310,960,000 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 32(4) of The Act, as its budget requirement for the year. [Budget Requirement]
 - (d) £232,222,000 Being the aggregate of the sums which the Council estimates will be payable for the year into its general fund in respect of redistributed non-domestic rates, revenue support grant and additional grant increased by the amount of the sums which the Council estimates will be transferred in the year from its collection fund to its general fund in accordance with Section 97(3) of the Local Government Finance Act 1988 and reduced by the amount of any sum which the council estimates will be transferred from its general fund to its collection fund pursuant to the Collection Fund (Community Charges) directions

under Section 98(5) of the Local Government Finance Act 1988. [Government Grants and Collection fund Adjustments]

- (e) £885.52 Being the amount at 3(c) above, less the amount at 3(d) above, all divided by the amount at 2 above, calculated by the Council, in accordance with Section 33(1) of The Act, as the basic amount of its Council Tax for the year. [Council Tax]

(f)	VALUATION BAND	LBTH £
	A	£590.35
	B	£688.74
	C	£787.13
	D	£885.52
	E	£1,082.30
	F	£1,279.08
	G	£1,475.87
	H	£1,771.04

Being the amount given by multiplying the amount at 3(e) 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.

4. That it be noted that for the year 2011/12 the Greater London Authority 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 the dwellings shown below.

VALUATION BAND	GLA £
A	206.55
B	240.97
C	275.40
D	309.82
E	378.67
F	447.52
G	516.37
H	619.64

5. That, having calculated the aggregate in each case of the amounts at 3(f) and 4 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 2011/12 for each of the categories of dwellings shown below:-

VALUATION BAND	TOTAL COUNCIL TAX £
A	£796.60
B	£929.71
C	£1,062.53
D	£1,195.34
E	£1,460.97
F	£1,726.60
G	£1,992.24
H	£2,390.68

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

The meeting ended at 9.22 p.m.