

**LONDON BOROUGH OF TOWER HAMLETS**

**MINUTES 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**

**Members Present:**

Mayor Lutfur Rahman	Councillor Denise Jones
Councillor Helal Abbas	Councillor Dr. Emma Jones
Councillor Khales Uddin Ahmed	Councillor Anwar Khan
Councillor Kabir Ahmed	Councillor Rabina Khan
Councillor Ohid Ahmed	Councillor Aminur Khan
Councillor Rofique U Ahmed	Councillor Rania Khan
Councillor Shelina Aktar	Councillor Shiria Khatun
Councillor Shahed Ali	Councillor Anna Lynch
Councillor Tim Archer	Councillor Harun Miah
Councillor Abdul Asad	Councillor Md. Maium Miah
Councillor Craig Aston	Councillor Fozol Miah
Councillor Lutfu Begum	Councillor Ahmed Adam Omer
Councillor Mizan Chaudhury	Councillor Lesley Pavitt
Councillor Alibor Choudhury	Councillor Joshua Peck
Councillor Zara Davis	Councillor Zenith Rahman
Councillor Stephanie Eaton	Councillor Oliur Rahman
Councillor David Edgar	Councillor Rachael Saunders
Councillor Marc Francis	Councillor David Snowdon
Councillor Judith Gardiner	Councillor Gloria Thienel
Councillor Carlo Gibbs	Councillor Bill Turner
Councillor Peter Golds	Councillor Kosru Uddin
Councillor Shafiqul Haque	Councillor Helal Uddin
Councillor Carli Harper-Penman	Councillor Motin Uz-Zaman
Councillor Sirajul Islam	Councillor Amy Whitelock
Councillor Ann Jackson	

The Chair of Council, Councillor Motin Uz-Zaman, in the Chair

**Mr Bill Wakefield**

Before commencing the formal business of the meeting, the Chair stated that Members would be aware of the recent sad death of ex-Councillor Bill Wakefield. Mr Wakefield had been a strong trade union members, an activist in many campaigns and a Councillor for the Limehouse Ward from 1995 to 1998.

At the invitation of the Chair, Members, officers and the public all stood to observe a minute's silence in memory of Mr Bill Wakefield.

**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.

**RESOLVED**

That the apologies for absence and lateness be noted.

**2. DECLARATIONS OF INTEREST**

No declarations of interest were made at this meeting.

**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 his revised budget proposals. In relation to the items included in the substantive motion agreed at the Council Meeting on 23<sup>rd</sup> February which were not included in the Mayor's initial budget proposals, the Mayor reported as follows:-

**Employment Initiatives and Affordable Housing:** The Mayor accepted the proposals put forward by the Liberal Democrat and Respect Members on these matters and had amended his proposals accordingly.

**Housing Link and Support to the Mayor and Councillors:** The Mayor accepted the proposals by the Labour Group on these matters and had amended his proposals accordingly.

**Extended Schools:** The Mayor noted the proposal from the Labour Group on this matter. However the Liberal Democrat and Respect amendment, accepted by the Mayor at the previous meeting, would provide substantially the same outcome at a lower cost and he had therefore incorporated the latter amendment into his proposals.

**East End Life:** The Mayor stated in light of officer advice that there were financial risks associated with moving to a quarterly publication as the savings may be offset by lost income from advertising, he was unwilling to pre-empt the outcome of the review. He therefore proposed to set a saving of at least £200,000 to be achieved as a result of the review of East End Life but not to make a decision on the frequency or format of the review until the review has reported back with fully costed proposals.

Community Safety: The Mayor stated that he was in discussion with the Borough Commander to enhance police provision by providing 21 new officers, using a combination of funding from the new Community Safety Fund allocated to each Borough by the GLA and drugs action funding. On the basis of the discussions so far, he was confident that the Council would have a considerable say in how the new officers are utilised. This proposal would allow for four more police officers than the Labour Group's proposals without the need to cut THEOs. The Mayor was therefore unable to accept the Labour proposal.

Adventure Play: The Mayor stated that he had allocated £50,000 to Bartlett Park and Whitehorse Road adventure playgrounds. In addition, he had accepted a £60,000 saving from the Communications department to add to the resources for adventure play.

Allocation to reserves: The Mayor accepted officers' advice on the risks to the Council of not maintaining reserves at a safe and prudent level and the amendments he had outlined meant that there was no need to reduce the planned contribution to General Reserves of £3m recommended by officers.

The Mayor's revised proposals would confirm a Tower Hamlets Council Tax of £885.52 at Band D for 2011/12, which was no increase on 2010/11.

Councillor Alibor Choudhury **MOVED**, and Councillor Rabina Khan **SECONDED** the revised budget proposals of the Mayor and Executive.

Councillor Helal Abbas then **MOVED** and Councillor David Edgar **SECONDED** an **amendment** as follows:–

**“This Council notes:**

1. The scale of the cuts imposed on public services, families and individuals by the Conservative-led government and their Liberal Democrat partners.
2. That Tower Hamlets Council is facing cuts of £72million over the next three years.
3. The decision of the Cabinet under the previous Labour administration that the priority in responding to the government's cuts be protecting the delivery of frontline services by reducing layers of management, cutting agency staff, tougher deals with suppliers, using fewer buildings, and other measures.
4. Assurances that after school childcare provision (formerly part of the Junior Youth Service) can be maintained in nine schools, open to working and non-working parents with no increase in charges and with no reduction in the number of places, can be provided at a total cost to the Council of £180,000.

**This Council believes:**

1. The Government is cutting too fast and too deeply with damaging consequences for the people of Tower Hamlets.

**This Council welcomes:**

1. The inclusion in the Mayor's revised budget motion of those Labour Group amendments which he accepted at the budget meeting on 23 February.
2. The additional 21 police officers proposed to be funded by the Community Safety Fund allocated to the borough by the Greater London Authority, drugs action funding and Metropolitan Police Authority funding allocated by the Borough Police Commander, but notes that these additional police should be seen in the context of:
  - The Joint Enforcement Teams comprising 20 police officers that the Council paid for in 2009/10 and 2010/11 coming to an end on 31 March 2011
  - The comment in the letter from the London Deputy Mayor for Policing that "... the Home Office has identified that the Community Safety Funding will reduce further for 2012/13 meaning a 60% reduction in total on the 2010/11 baseline"
  - Reports that there may be a reduction in the number of Police Sergeants in Safer Neighbourhood Teams across London including Tower Hamlets
  - Reports that there has been a fall in the number of police officers in post over the last two years.

**This Council resolves** to amend the Independent Mayor's revised budget motion as follows:

1. To include funding of £180,000 for after school childcare provision in the budget on an ongoing basis, rather than as seed funding in 2011/12 only.
2. East End Life - in line with the Government's Local Authority Publicity Code to reduce publication to quarterly with a saving of £200,000.
3. Community Safety - add 17 police officers - one per ward - to the Safer Neighbourhood Teams, meeting with local residents at Ward Panels, to replace the current team of Tower Hamlets Enforcement Officers with effect from 1 July at net saving in 2011/12 of £25,000 and a net saving in 2012/13 of £180,000. The Mayor to investigate whether the cost of paying for the additional police officers can be reduced by making use of the "buy one, get one free" offer from the Metropolitan Police Authority.
4. Invest £25,000 in children's play projects.

5. Confirm a Council Tax for Tower Hamlets of £885.52 at Band D for 2011/12, which is no increase on 2010/11.

**This Council further resolves:**

1. That the use of funding for the employment initiatives proposal accepted by the Mayor should be the subject of detailed plans in respect of outputs and providers as a part of his Employment Strategy. The Strategy should be brought to the Overview and Scrutiny Committee for review and to the Full Council for agreement.
2. That the buy-back element of affordable housing proposal accepted by the Mayor should be subject to an appraisal of whether buy-backs represent the best value for money as a way of increasing the supply of family-sized or other affordable housing, and if they do not represent best value, make use of other options for increasing affordable housing.
3. To carry out reviews of the impact of the following savings proposals on service users (involving their families, advocates and friends where appropriate) and report to the Overview and Scrutiny Committee and full Council by the end of October 2011 in time for the results of the reviews to influence the budget setting process for 2012/13:
  - Promoting independence and reducing demand for domiciliary care through reablement
  - Better use of supported housing
  - Modernising learning disability day services
  - Redesign and integration of early years and children's centres management.
4. To ensure that the equalities impact assessments for the impact of the budget savings are kept under review and updated and that the proposed Fairness Commission includes cross party representatives and reports in time for its conclusions to influence the budget setting process for 2012/13.

Councillor David Snowdon then **MOVED** and Councillor Timothy Archer **SECONDED** a further **amendment** as follows:–

**“This Council notes:**

1. The financial black hole inherited from Labour both at a national level and at the Council level;
2. That the Town Hall continues to waste money;
3. That residents have not been consulted over the budget proposals;

4. That the 34 residents who attended focus groups on the budget were concerned by the cost of East End Life.

**This Council will:**

5. Discontinue East End Life, and carry out statutory advertising through other newspapers. Compared to the Mayor's amended plans, this will provide a further saving of £50,000 in 2011/12.
6. Provide an additional 17 police officers, 1 for each ward. Under Mayor Boris Johnson's recently announced 'Buy One Get One Free' scheme for police officers, he would provide match funding for these posts and therefore provide an additional 17 police officers. This would lead to a total of 34 new police officers for Tower Hamlets. To fund the Council's new police officers, we would end the Tower Hamlets Enforcement Officer programme. This would provide a budget saving of £25,000 in 2011/12.
7. Spend the £75,000 savings on road repairs, in particular on mending pot holes, to take account of the high wear and tear caused by the hard winter.

Following debate, Councillor Alibor Choudhury, Cabinet Member for Resources, indicated that the Mayor and Executive were unable to accept the amendments proposed by the Labour and Conservative Groups.

**Point of personal explanation**

At this point, Councillor David Edgar rose to give a personal explanation. Reference had been made during the debate to a series of budget savings proposals that Councillor Edgar had allegedly brought to the Labour Group under the previous administration. Councillor Edgar stated that this was false and asked that the statement be withdrawn. He had not brought forward a motion as described and all proposals had been reported to the Cabinet.

The amendment moved by Councillor Helal Abbas and Councillor David Edgar was then put to the vote.

At this point, more than ten Members rose to request a recorded vote. A recorded vote was therefore taken on the amendment and Members indicated their votes as follows:-

For the amendment (22 Councillors)

Councillor Helal Abbas  
Councillor Khaled Uddin Ahmed  
Councillor Mizanur Chaudhury  
Councillor David Edgar  
Councillor Judith Gardiner

Councillor Carlo Gibbs  
Councillor Carli Harper-Penman  
Councillor Sirajul Islam  
Councillor Ann Jackson  
Councillor Denise Jones  
Councillor Anwar Khan  
Councillor Shiria Khatun  
Councillor Ann Lynch  
Councillor Lesley Pavitt  
Councillor Joshua Peck  
Councillor Zenith Rahman  
Councillor Rachael Saunders  
Councillor Bill Turner  
Councillor Helal Uddin  
Councillor Kosru Uddin  
Councillor Amy Whitelock  
Councillor Motin Uz-Zaman

Against the amendment (18 Councillors)

Councillor Kabir Ahmed  
Councillor Ohid Ahmed  
Councillor Rofique Uddin Ahmed  
Councillor Shelina Aktar  
Councillor Shahed Ali  
Councillor Abdul Asad  
Councillor Lutfu Begum  
Councillor Alibor Choudhury  
Councillor Stephanie Eaton  
Councillor Marc Francis  
Councillor Shafiqul Haque  
Councillor Aminur Khan  
Councillor Rabina Khan  
Councillor Rania Khan  
Councillor Fozol Miah  
Councillor Harun Miah  
Councillor Ahmed Omer  
Councillor Oliur Rahman

Abstained from voting (8 Councillors)

Councillor Peter Golds  
Councillor Timothy Archer  
Councillor Craig Aston  
Councillor Zara Davis  
Councillor Dr. Emma Jones  
Councillor Maium Miah  
Councillor David Snowdon  
Councillor Gloria Thienel

The Service Head, Democratic Services announced that there had been 22 votes for and 18 votes against with 8 abstentions and the amendment had not achieved the two-thirds majority of Councillors present and voting that was 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 and Councillor Tim Archer 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**. Accordingly it was:-

### RESOLVED

#### 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 these minutes, 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	$^{11}/_9$	£1,082.30
F	120,001	160,000	$^{13}/_9$	£1,279.08
G	160,001	320,000	$^{15}/_9$	£1,475.87
H	320,001	and over	$^{18}/_9$	£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	<u>1,195.34</u>

(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	$^6/_9$	£590.35	£206.55	£796.90
B	40,001	52,000	$^7/_9$	£688.74	£240.97	£929.71
C	52,001	68,000	$^8/_9$	£787.13	£275.40	£1,062.53
D	68,001	88,000	$^9/_9$	£885.52	£309.82	£1,195.34
E	88,001	120,000	$^{11}/_9$	£1,082.30	£378.67	£1,460.97
F	120,001	160,000	$^{13}/_9$	£1,279.08	£447.52	£1,726.60

G	160,001	320,000	15/9	£1,475.87	£516.37	£1,992.24
H	320,001	and over	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 these minutes, 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.

The meeting ended at 9.22 p.m.

Chair,  
Council

**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 8<sup>TH</sup> 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 12<sup>th</sup> 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)	<b>VALUATION BAND</b>	<b>LBTH £</b>
	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.

<b>VALUATION BAND</b>	<b>GLA £</b>
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:-

<b>VALUATION BAND</b>	<b>TOTAL COUNCIL TAX £</b>
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