

LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE COUNCIL (BUDGET MEETING)

HELD AT 7.30 P.M. ON WEDNESDAY, 27 FEBRUARY 2013

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

Members Present:

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

The meeting commenced at 7.36 p.m.

Councillor Rajib Ahmed, Speaker of the Council, in the Chair

1. APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of Councillor Abdal Ullah.

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS

No declarations of Disclosable Pecuniary Interests were made.

3. TO RECEIVE ANNOUNCEMENTS (IF ANY) FROM THE SPEAKER OF THE COUNCIL OR THE HEAD OF PAID SERVICE

There were no announcements.

4. TO RECEIVE ANY PETITIONS**4.1 Petition regarding the Council's finances after 2014**

Afazalur Rahman addressed the meeting on behalf of the petitioners and responded to questions from Members.

Councillor Alibor Choudhury, Cabinet Member for Resources, then responded to the petition. He highlighted that the balanced budget for 2013/14 created headroom for some one-off spending and that this was an achievement given the scale of the cuts imposed on the Council. He stated that no borough had yet developed a balanced budget for 2015/16. The Council was developing its plans and would not be pushed into making hasty cuts.

RESOLVED

That the petition be referred to the Interim Corporate Director, Resources, for a written response on any outstanding matters within 28 days.

4.2 Petition regarding the Mayor's Office costs

Di Roome addressed the meeting on behalf of the petitions and responded to questions from Members.

Councillor Alibor Choudhury, Cabinet Member for Resources, then responded to the petition. He stated that the sums involved were small compared to the Council's overall budget and that the cost of the Mayor's office was comparable to other similar London Boroughs; and highlighted the achievements of the administration in the face of resource reductions.

RESOLVED

That the petition be referred to the Assistant Chief Executive (Legal Services) for a written response on any outstanding matters within 28 days.

5. BUDGET AND COUNCIL TAX 2013/14

Mayor Lutfur Rahman introduced, and Councillor Alibor Choudhury moved, the budget proposals of the Mayor and Executive as set out in the agenda pack. Councillor Ohid Ahmed seconded the proposals.

Four amendments were tabled and moved as follows:

- (i) Amendment proposed by Councillor Carlo Gibbs and seconded by Councillor Joshua Peck (as attached at Appendix A to these minutes);
- (ii) Amendment proposed by Councillor David Snowdon and seconded by Councillor Zara Davis (attached at Appendix B);
- (iii) Amendment proposed by Councillor Oliur Rahman and seconded by Councillor Shafiqul Haque (attached at Appendix C);
- (iv) Amendment proposed by Councillor Rania Khan and seconded by Councillor Abdul Asad (attached at Appendix D).

The Mayor amended his budget proposals by accepting in full the amendments proposed by Councillors Oliur Rahman and Rania Khan.

Following the debate the Speaker adjourned the meeting at 22:08 to allow officers to consider the effect of the two accepted amendments on the remaining amendments. The meeting reconvened at 22:17.

Councillor Carlo Gibbs and Councillor Joshua Peck altered their amendment to include an additional bullet point:

- To delete the figure of '£150k' in the amendment moved by Councillor Rania Khan for "events" and replace this with '£39k'.

Following further debate the amendment proposed by Councillor Carlo Gibbs was put to the vote and was **agreed**.

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

The Speaker then adjourned the meeting at 22:43 to allow for further officer advice. The meeting reconvened at 22:50.

The substantive budget proposals as amended were then put to the vote and were **agreed**.

RESOLVED

This Council notes:

- That between the Chancellor's Emergency Budget in 2010 and 2017/18, the Council's General Fund budget will have been cut by 50%;
- The Council's Medium Term Financial Plan is showing a black hole of £39m in 2015/16, £24m of which is unfunded, and a deficit of at least £55m is anticipated in 2016/17;

- By 2015/16, Council reserves will be brought down to their lowest advisable level of £20m;
- Many of the Mayor's biggest spending commitments– including Free School Meals, THEOs, additional cleaning, Faith Buildings Fund, Educational Award and Council Tax Benefit – are only funded up to the election;
- Continuing these services after their current funding ceases would increase the council's black hole by over £6m each year;
- In order to fund additional spending, the Mayor has initiated further frontline cuts, including a 5% reduction of the staffing budgets in Adults Health and Wellbeing and Children Schools and Families directorates, placing further pressure on frontline staff;
- Closing this black hole would require the equivalent of a £600 per household Council Tax increase or cutting in half the services provided to the elderly and disabled in the Borough;
- The Labour Group has been asking the Mayor for over a year to explain how he plans to close this financial black hole over which he has presided.

This Council believes:

- It is the duty of the Council to manage its finances efficiently, delivering a balanced budget to ensure long term stability of services for residents;
- In facing these cuts the residents of this borough deserve openness and honesty about how those elected to represent them will deal with this issue;
- The Mayor has lost control of the Council's finances and has no proposals - such as an invest to save strategy, star chamber programme or review of service - to deal with this black hole;
- Plans to tackle the deficit will take time to bring online and, in order to be delivered in 2015, will have to be agreed by council a long time before then;
- The Mayor is failing to show leadership in the face of the Government's cuts by ignoring the Council's precarious financial state until after the next election.

This Council further believes:

- It is wrong for the Mayor to continue spending significant amounts of public money on self-publicity such as East End Life, political mailings to residents, banners with his face on and other communication spending;
- It is wrong for the Mayor to increased spending on his office by 65% to £700,000, including £296k for advisors, when cuts to frontline staffing budgets elsewhere in the organisation are taking place. Particularly as he has a Cabinet that is supposed to advise him on these issues;
- It is wrong that the Mayor continues to hire a Mercedes and driver at significant cost to the Council;

This council therefore resolves:

1. To adopt the budget motion as set out in the agenda for the meeting subject to the amendments accepted by the Mayor as attached at Appendices C and D and further amended as follows:-
2. To delete funding of £1.214m from the budget used to fund East End Life, delivering a saving of £433k by:
 - Reducing funding available for public notices from £267,000 to £100,000, sufficient to support the provision of statutory advertising in local newspapers, tendering a long term contract in order to secure the best rates;
 - Reducing the funding of £176,000 for the advertising of choice based lettings to £50,000, sufficient to fund a provision that can be made available on a weekly basis in each housing office, leisure centre and one-stop shop in the borough, as well as online, to be managed by the lettings team;
 - To cut departmental budgets by £143,000, to reduce their general advertising spend allocated in previous years to East End Life;
3. To delete the funding of £296k for Mayor's Advisors;
4. Not allocate the £1.8m of unallocated funds set out in Section 3 of Cabinet Report Wednesday 13th February to any other provision;
5. Use the £200,000 of available capital spending to free up £200,000 of previously capitalised revenue funding that will be ring fenced as a contingency fund to support the deletion of the budget used for East End Life.

6. To ring fence the savings and unallocated funds resulting from the above and set out in the below table, into a ring-fenced reserve to support a reduction in the council's black hole in 2015/16;
7. To place a general restriction on the council that all virements outside of the agreed budget framework above £200,000 must be agreed by full council (* see note below)

Saving	2013/14	2014/15	Total saving
Unallocated Funding	£1.8m		£1.8m
Saving from statutory advertising	£167k	£167k	£334k
Saving from Choice Based Lettings advertising	£126k	£126k	£252k
Reduce departmental budgets (advertising spend)	£143k	£143k	£286k
Reallocation of Capital Funding	0	0	0
Mayor's Advisors	£296k	£296k	£592k
Total	£2.532m	£732k	£3.264m

8. To delete the figure of '£150k' in the amendment moved by Councillor Rania Khan for "events" and replace this with '£39k'.

[* Note: Proposal to impose a limit of £200,000 above which virements must be agreed by Full Council – Officers advise that this matter cannot be considered at Budget Council as procedures and regulations make it clear that Budget Council is for financial matters not constitutional matters. The Constitution requires that constitutional changes are referred to General Purposes Committee with full officer comments in order that all parties can be consulted. It would then be referred back to Full Council at a later date.]

Outcome of meeting

The Service Head, Democratic Services advised the meeting that as the Council had agreed budget proposals that were different from the Mayor's proposals, the statutory dispute resolution process would come into operation. The Council was required to inform the Mayor of its objections to his budget proposals and set a period of at least five working days, commencing on the day after the day on which the Mayor is notified of the objections, within which the Mayor should reconsider his proposals in the light of those objections and resubmit them for consideration at a second Budget Council Meeting.

The Service Head informed Members that the second Budget Council Meeting would be held on Thursday 7th March 2013 at 7.30 p.m.

RESOLVED

That the Mayor and Executive be informed of the Council's objections to their budget proposals as set out in the decision above; be requested to reconsider their proposals in the light of those objections; and submit revised proposals in accordance with the Budget and Policy Framework Procedure Rules for consideration at a further Budget Council Meeting to be held on 7th March 2013.

The meeting ended at 10.53 p.m.

Councillor Rajib Ahmed
Speaker of the Council

Labour Group Budget Amendment

Proposed: Cllr Carlo Gibbs
Seconded: Cllr Joshua Peck

This council notes:

- That between the Chancellor's Emergency Budget in 2010 and 2017/18, the Council's General Fund budget will have been cut by 50%;
- The Council's Medium Term Financial Plan is showing a black hole of £39m in 2015/16, £24m of which is unfunded, and a deficit of at least £55m is anticipated in 2016/17;
- By 2015/16, Council reserves will be brought down to their lowest advisable level of £20m;
- Many of the Mayor's biggest spending commitments – including Free School Meals, THEOs, additional cleaning, Faith Buildings Fund, Educational Award and Council Tax Benefit – are only funded up to the election;
- Continuing these services after their current funding ceases would increase the council's black hole by over £6m each year;
- In order to fund additional spending, the Mayor has initiated further frontline cuts, including a 5% reduction of the staffing budgets in Adults Health and Wellbeing and Children Schools and Families directorates, placing further pressure on frontline staff;
- Closing this black hole would require the equivalent of a £600 per household Council Tax increase or cutting in half the services provided to the elderly and disabled in the Borough;
- The Labour Group has been asking the Mayor for over a year to explain how he plans to close this financial black hole over which he has presided.

This council believes:

- It is the duty of the council to manage its finances efficiently, delivering a balanced budget to ensure long term stability of services for residents;
- In facing these cuts the residents of this borough deserve openness and honesty about how those elected to represent them will deal with this issue;
- The Mayor has lost control of the Council's finances and has no proposals - such as an invest to save strategy, star chamber programme or review of service - to deal with this black hole;
- Plans to tackle the deficit will take time to bring online and, in order to be delivered in 2015, will have to be agreed by council a long time before then;
- The Mayor is failing to show leadership in the face of the Government's cuts by ignoring the council's precarious financial state until after the next election.

This council further believes:

- It is wrong for the Mayor to continue spending significant amounts of public money on self-publicity such as East End Life, political mailings to residents, banners with his face on and other communication spending;
- It is wrong for the Mayor to increase spending on his office by 65% to £700,000, including £296k for advisors, when cuts to frontline staffing budgets elsewhere in the organisation are taking place. Particularly as he has a Cabinet that is supposed to advise him on these issues;
- It is wrong that the Mayor continues to hire a Mercedes and driver at significant cost to the council;

This council therefore resolves:

To amend the Mayor's budget:

- To delete funding of £1.214m from the budget used to fund East End Life, delivering a saving of £433k by:
 - Reducing funding available for public notices from £267,000 to £100,000, sufficient to support the provision of statutory advertising in local newspapers, tendering a long term contract in order to secure the best rates;
 - Reducing the funding of £176,000 for the advertising of choice based lettings to £50,000, sufficient to fund a provision that can be made available on a weekly basis in each housing office, leisure centre and one-stop shop in the borough, as well as online, to be managed by the lettings team;
 - To cut departmental budgets by £143,000, to reduce their general advertising spend allocated in previous years to East End Life;
- To delete the funding of £296k for Mayor's Advisors;
- Not allocate the £1.8m of unallocated funds set out in Section 3 of Cabinet Report Wednesday 13th February to any other provision;
- Use the £200,000 of available capital spending to free up £200,000 of previously capitalised revenue funding that will be ring fenced as a contingency fund to support the deletion of the budget used for East End Life.
- To ring fence the savings and unallocated funds resulting from the above and set out in the below table, into a ring-fenced reserve to support a reduction in the council's black hole in 2015/16;
- To place a general restriction on the council that all virements outside of the agreed budget framework above £200,000 must be agreed by full council.

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Reallocation of Capital Funding	0	0	0
Mayor's Advisors	£296k	£296k	£592k
Total	£2.532m	£732k	£3.264m

Conservative Budget Amendment 2013/14

Proposed By: Cllr David Snowdon

Seconded By: Cllr Zara Davis

This Council Believes That:

1. That the Mayor's plans to increase spending on his private office from £401,000 to £701,000 are wrong. Maintaining the office budget at last year's level will allow for greater spending on front-line services
2. Eliminating the Mayor's hated stealth tax, the bulk waste collection charge, will lead to a cleaner borough, reduce clean-up costs to the council and help hard working local families
3. The abolition of THEOs would allow the Council to fund more local police on the streets, while other savings would allow the restoration of a full out of hours noise service
4. Tower Hamlets Council should not be providing refreshments for Councillors, and that this funding should be re-invested in local services
5. Local residents are opposed to the commercialisation of our parks and open spaces, and would welcome the elimination of all targets to raise income from them.
6. Libraries are an important element of Lifelong Learning, and making draconian cuts to the book fund will result in residents of the Borough receiving poorer library provision.
7. Contracting an outside company to water pot plants in Tower Hamlets building is an outrageous waste of public money.
8. Tower Hamlets Council is not doing enough to protect and promote our rich local heritage, which can be a driver of growth for local businesses
9. Local residents would have greater opportunities if more provision was available for English language classes (ESOL). This should be financed by eliminating spending on non-statutory translation
10. The government is soon to legislate for the abolition of East End Life. Acting now to close down this "newspaper" would be in the best interests of local residents.
11. A 1% Council Tax rebate will follow the lead of the Mayor of London in cutting the cost of government in London, and support hard working local families

This Council calls upon the Executive to:

1. Increase income as follows:

Description	2013/14	Notes
Events In Parks	£10,000	Generate £10,000 through private sector sponsorship of Council organised events (e.g. fireworks)
Increase Per Year	£10,000	

2. Reduce income as follows:

Description	2013/14	Notes
Commercial, corporate and private events in parks	£290,000	Remove target to generate £290k through commercial, corporate and private events in parks
Bulk waste charges	£60,000	End bulk waste charges
Reduction Per Year	£350,000	

3. Implement the following increase in spending

Description	2013/14	Notes
Police Officers	+£1,108,000	Increase funding for police officers through established Metropolitan police scheme to use funding stream created by abolition of THEOs and balancing item.
1% Council Tax Rebate	+£633,000	Provide a rebate equivalent to a 1% council tax cut to all households paying council tax
Library Book Fund	+£200,000	Reverse cuts to the Library Books fund
ESOL classes	+£152,000	Fund ESOL classes in order to further "One Tower Hamlets agenda"
Pot Hole Repair	+£120,000	Create a pothole team to visit every road in borough each year and undertake necessary repairs
Out of House Noise Nuisance Service	+£100,000	Create a new 7 days a week noise nuisance service, to reverse cuts implemented in previous years by Mayor
Docklands History Boards	+£50,000	Replace Docklands History boards located across Isle of Dogs and Limehouse Basin which were installed by LDDC and are now in a poor state of repair
Streaming of Council Meetings	+£25,000	Stream council meetings over the internet.
TfL Travel Card For Mayor	+£1,424	Provide Mayor with a zones 1-3 TfL Travel Card so that he can travel to meetings like most Londoners do: via London Transport. Allows abolition of Mayor's car, driver and means taxis will not be necessary.
Spending Per Year	£2,389,424	

4. Implement the following cuts to Council spending

Description	Savings in 2013/14	Notes
Existing THEO posts	£850,000	Delete all existing THEO posts, in order to fund more real police officers
Faith Buildings	£1,000,000	Delete proposed increase in faith buildings

		programme
Proposed 10 THEO posts	£500,000	Delete proposed THEO posts, in order to fund more real police officers
East End Life	£346,024	Abolish East End Life and instead, provide housing choices information on the Tower Hamlets website and in all One Stop Shop & RSL offices. Remove general marketing & adverts budgets, cut 10% of budget for public notices based on better design of adverts
Mayor's Executive Office	£300,000	Reverse planned increase in spending on Mayor's office. Budget reduced from £701k to £401k
Trade Union Facilities Agreement	£290,000	Review and remove full-time trade union posts
Translation of Documents	£152,000	Stop non-statutory translation of documents into foreign languages in order to promote our One Tower Hamlets objective and follow DCLG best-practice. Money to be spent on ESOL training.
Estate Agents	£75,052	Reduce discretionary bounties paid to estate agents for finding properties by 15%
Mayoral car	£49,500	Abolish the Mayoral car and delete post of full time driver. Provide Mayor with a zones 1-3 Travelcard, so that he will not need to take taxis.
Mayoral Policy Communications	£37,000	Stop Mayoral policy communications by top-slicing the budget of departments that spent £37k on Mayoral communications last year
"Media Monitoring"	£35,000	Stop media monitoring activities
Town Hall subscriptions	£27,150	End our subscription to the LGIU, Randalls Parliamentary Service, Plain English campaign and the Association for Public Service Excellence; submit notice to LGA to end subscription.
Watering of Pot Plants	£22,000	End budget for contractors to water pot plants; instead encourage staff to water the pot plants next to their desk in the Council Offices
External venues	£16,000	Stop hiring out external venues for internal Council meetings and away-days
Newspaper Subscriptions	£12,000	Cut Town Hall subscriptions
TV Advertising	£9,500	Top-slice the budget of departments that spent £9.5k on TV advertising last year
Refreshments at	£5,500	End refreshments at Council meetings

Town Hall meetings		
Taxis for Mayor, Speaker and Cllrs	£3,500	Remove the budget for taxis for the Mayor, Speaker and Councillors
Travel Allowance For Senior Council Execs	0	Stop offering this perk to newly employed Senior Council officers at £3,500 each
Savings per year	£3,730,226	

5. Create Ring-Fenced Reserve

Description	Increase in 2013/14	Notes
16-18 Education Ring Fenced Reserve	£1,000,000	Create a "Ring Fenced" Reserve for education spending within Tower Hamlets to improve attainment of 16-18 year olds

APPENDIX C**BUDGET COUNCIL MEETING – 27th FEBRUARY 2013****Independent Amendment**

Proposer: Cllr Oliur Rahman

Seconder: Cllr Shafiqul Haque

This Council Notes:

1. The report from the University and College Union that Bethnal Green and Bow constituency has the highest number of people without formal qualifications in the country.
2. The report from the Campaign to End Child Poverty that Tower Hamlets continues to have among the highest levels of child poverty in the county.
3. The progress made over the last decade in the borough to increase the numbers of people with formal qualifications and reduce levels of child poverty. The recent census information shows a decrease in the proportion of people without any formal qualifications from 35% in 2001 to 20% in 2011. The current figure of 42% of children living in poverty is a decline from 53% in 2009 and 60% 2006.

This Council Agrees:

1. Government cuts threaten to roll back these advances:
 - Instead of improving access to education for poorer communities, the government is restricting it. They have slashed the education maintenance allowance, increased tuition fees, and replaced financial support for adult learners with prohibitive loans.
 - Instead of lifting people out of poverty, government welfare reform threatens to place more families to poverty. The DWP have identified thousands of households in Tower Hamlets that will be affected by welfare reform, not just large families or the workless, these are families living on low incomes. The average reduction will be £101 a week. 37% will lose more than £100 a week. 30% will lose between £50-10 a week.

This Council Notes the following resource implications:

1. The Council currently has a healthy level of reserves, expected to be £32,897,000 in March this year.

This Council Believes:

1. That the requirement to maintain a healthy level of reserves to meet current and future risks must be balanced responsibly with the needs of Tower Hamlets residents and the opportunity to invest in the borough's future.

This Council Resolves:

1. To allocate the one-off funding in the following areas allocated from funding already set aside in the budget for third sector grants :

This Council Resolves:

1. To extend provision in the borough for those without formal qualifications and effected by welfare cuts by committing £65,000 to the establishment the new Unite Community Centre in St George's Town Hall.
2. This is a partnership between the council, Unite - Europe's largest trade union and Barclay's Bank.
3. The Unite Community Centre will offer:
 - Education courses, employment and welfare advice services and community events.
 - It will run three Skills for Life courses a week, and each will hold three sessions a week.
 - Over the course of the year it aims to have 300 learners take Skills for Life courses.
 - Based on this, and the provision of non-accredited ESOL, art and photography courses, and cultural events, the centre expects 50 unique visitors a week.

APPENDIX D**Budget Council Meeting – 27th February 2013****Independent Amendment**

Proposer: Cllr Rania Khan

Seconder: Cllr Abdul Asad

This Council notes the progressive budget proposals from Mayor Rahman and his administration, which will see:

1. A borough we can be proud of and which is environmentally friendly; including ten new THEOs, a potholes squad, new cycling infrastructure, a new Burial Ground, £1m further investment into our Faith Buildings and £800,000 on a borough wide deep clean.
2. Investment in our young people; continuing our MEA scheme, providing 400 Mayor's University Grants and free school meals for all children in reception and year one for the next two years.
3. Bringing investment into key areas of the borough; bringing improvements into and promoting Roman Road, Burdett Road, Brick Lane and Bethnal Green Market.
4. Keeping more money into residents' pockets; freezing council tax and fees and charges and maintaining council tax benefit and creating a £1m Preventing Homelessness Fund.

This Council notes the following in relation to the borough's rich heritage and culture:

1. Tower Hamlets has an exceptionally rich history which has been shaped by the different people who have lived and worked here; the movements that started here and have grown to be national and global forces for changes; our links to royalty; and our role as the economic powerhouse of London and the country.
2. Tower Hamlets is currently facing the fastest pace of change and development in the country. This development is creating jobs, new houses and a borough fit for the future.
3. In light of this new development, there is a commitment from both residents and the administration of the borough to ensure that the history and heritage of the borough is preserved and celebrated.
4. That Cultural Industries are one of the fastest growth areas in the borough, with currently over 30,000 jobs in cultural and creative industries in Tower Hamlets.
5. The Enterprise Strategy identified the importance of cultural industries for the borough's economic future.

This Council notes the following central government cuts to culture and heritage:

1. The Suspension of English Heritage's Blue Plaque scheme in January 2013, due cuts in government funding. The scheme is being wound

down, with only approved plaques being installed and no new suggestions from the public being taken.

2. The sustained funding reductions from central government sources towards arts and cultural activities, including the 30% reduction in funding to the Arts Council; the scrapping of the UK Film Council and Museums, Libraries and Archives Council; and the collective impact of reduced funding availability on the ability for cultural services to continue to run.

This Council notes the following in regards to the borough's disabled and elderly residents and the third sector:

1. Tower Hamlets has a larger number of residents receiving disability benefits and with limiting long term conditions than the national average.
2. Disabled residents are more likely to live in poverty and to suffer from social isolation.
3. Tower Hamlets has a young population, however 6.1% of the population are aged 65, of which we have the highest proportion of older residents living alone and an above average level of pensioner poverty.
4. The Council continues to provide a wide range of services to disabled and elderly residents and this administrations' commitment to free home care, makes Tower Hamlets the only council in the country to offer free home care.
5. Tower Hamlets has a thriving third sector, with between 2,000 and 3,000 organisations working in the borough. They provide a range of vital services, including delivery against our own Community Plan targets. The important role they play has been recognised by this administration who has increased investment in the Mainstream Grants to £8m.

This Council notes the following central government reforms:

1. The reduction in government support to older residents and disabled residents, including the change from RPI to CPI in pension uplift; the change in disability support from Disability Living Allowance onto Employment Support Allowance or Jobseekers Allowance and the transition from Disability Living Allowance to Personal Independence Payments, which will result in fewer residents receiving levels of support and those in receipt of benefits receiving less. This is in conjunction with rising food and energy bills which impact the hardest on those on fixed low incomes.
2. That the rhetoric of the Big Society which suggested an enhanced role for the third sector has been undermined by the funding cuts from central government have resulted in reduced ability for the third sector to provide services and have resulted in the third sector feeling marginalised and under-recognised.

This Council Notes the following resource implications:

1. The Council currently has a healthy level of reserves, expected to be £32,897,000 in March this year.

This Council Believes:

1. That the requirement to maintain a healthy level of reserves to meet current and future risks must be balanced responsibly with the needs of Tower Hamlets residents and the opportunity to invest in the borough's future.

This Council Resolves:

1. To allocate the one-off funding in the following areas allocated from funding available from additional savings identified during the budget process and set out in the budget papers :

In relation to celebrating our older and disabled residents and the excellent work of our third sector:

Allocate £150k for 3 events to celebrate the achievements and contributions made by older residents in Tower Hamlets, disabled residents in Tower Hamlets and the third sector.

- A Disability Day to further promote disabled residents' dignity and wellbeing, which will be a celebration of disabled residents as well as provide information about support services and welfare advice.
- An Older People's Day to celebrate the contributions older residents have made and continue to make in the borough as well as an opportunity to provide information about support services, activity and leisure opportunities.
- A Third Sector Celebration to promote the excellent work and achievements of our third sector.

In relation to celebrating our heritage and history

Allocate a one-off sum of £4,000 to create a Tower Hamlets People's History Plaque Scheme.

- This will ensure we are able to commemorate our unique history and heritage.

In relation to helping our young people into the creative industries

Allocate £125k to create 10 part time apprenticeships in local creative industries.

- This will enable young people in Tower Hamlets to gain valuable experience in the huge range of cultural industries in the borough.