

**LONDON BOROUGH OF TOWER HAMLETS**

**MINUTES OF THE COUNCIL (BUDGET MEETING)**

**HELD AT 7.30 P.M. ON THURSDAY, 7 MARCH 2013**

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

**Members Present:**

Mayor Lutfur Rahman	Councillor Dr. Emma Jones
Councillor Helal Abbas	Councillor Rabina Khan
Councillor Kabir Ahmed	Councillor Aminur Khan
Councillor Khaled Uddin Ahmed	Councillor Anwar Khan
Councillor Ohid Ahmed	Councillor Rania Khan
Councillor Rajib 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 Abdal Ullah
Councillor Ann Jackson	Councillor Motin Uz-Zaman
Councillor Denise Jones	Councillor Amy Whitelock

The meeting commenced at 7.36 p.m.

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

**1. APOLOGIES FOR ABSENCE**

There were no apologies for absence.

**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

The Speaker announced that the Acting Corporate Director of Education, Social Care and Wellbeing, Isobel Cattermole, was to retire after 25 years' local government service. Councillors from all parties addressed the meeting to pay tributes to Mrs Cattermole's service and to wish her well in the future.

### 4. BUDGET AND COUNCIL TAX 2013/14

The Mayor's revised budget motion was tabled, including his comments on the budget amendment passed by the Council on 27<sup>th</sup> February 2013 and his own revised proposals for the Council's consideration.

A representative of the Unison trade union sought permission to address the meeting on the proposed budget amendments which he stated had implication for staff redundancies. The Service Head, Democratic Services advised that the deadline for petitions had passed and the Procedure Rules made no other specific provision for public or trade unions to address the meeting. There was a general provision under which the Chair of a meeting had discretion to allow participation by non-members but the Speaker indicated that he was not minded to exercise this discretion as there was no precedent for this at the Council meeting and he also understood that other persons had asked before the meeting to speak and had been told that they could not.

Mayor Lutfur Rahman introduced, and Councillor Alibor Choudhury **moved**, the revised budget proposals of the Mayor and Executive. Councillor Ohid Ahmed **seconded** the proposals. The Mayor stated that he and the Executive were unable to accept a number of the amendments proposed by Council on 27 February 2013, as set out with reasons in his tabled report.

Councillor Carlo Gibbs then **moved** the Council's amended budget proposals as agreed at the meeting on 27 February 2013. Councillor Joshua Peck **seconded** the proposals.

Following debate the amended budget proposal moved by Councillor Carlo Gibbs was put to the vote. The amended budget achieved the two thirds majority required by the regulations, with 34 Members voting in favour and 17 Members voting against, and was therefore **agreed**. Accordingly it was:-

#### **RESOLVED**

***General Fund Revenue Budget and Council Tax Requirement 2013/14; and Treasury Management Strategy Statement, Annual Investment Strategy and Minimum Revenue Provision Policy Statement 2013-14.***

### **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 Budget Council Meeting on 27<sup>th</sup> February 2013 subject to the amendments accepted by the Mayor at the meeting (as attached at Appendix 1 to these minutes) and further amended as follows:-
  - 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 13<sup>th</sup> 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 (\* see note below)

<b>Saving</b>	<b>2013/14</b>	<b>2014/15</b>	<b>Total saving</b>
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
<b>Total</b>	<b>£2.532m</b>	<b>£732k</b>	<b>£3.264m</b>

- 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.]

2. That accordingly a General Fund revenue budget of £297.806m and a total Council Tax Requirement for Tower Hamlets in 2013/14 of £63,343,000 be agreed as set out in the table below.

Service	Base	Savings		Growth	Adjustments	Total
	2012-13 £'000	Approved £'000	New £'000			
<b>Education, Social Care and Wellbeing</b>	183,651	(3,750)	(3,910)	21,326	(2,184)	195,133
<b>Communities, Localities and Culture</b>	78,855	(5,017)	(249)	5,417	(3,319)	75,687
<b>Development &amp; Renewal</b>	20,192	(5,542)	(126)	1,720	(597)	15,647
<b>Resources</b>	11,811	(1,206)	(90)	1,250	(904)	10,861
<b>Chief Executives</b>	9,545	(187)	(463)	0	(909)	7,986
<b>Public Health</b>	0	0	0	29,982	0	29,982
<b>Net Service Costs</b>	304,054	(15,702)	(4,838)	59,695	(7,913)	335,296
<b>Other Net Costs</b>						
Capital Charges	10,010	0	(150)	1,000	0	10,860
Levies	2,415	0	(399)	0	0	2,016
Pensions	13,142	0	0	2,250	0	15,392
Other Corporate Costs	(19,022)	(1,669)	(603)	1,338	2,642	(17,314)
<b>Total Other Net costs</b>	6,545	(1,669)	(1,152)	4,588	2,642	10,954
<b>Public Health Grant</b>	0	0	0	(31,382)	0	(31,382)
<b>Core Grants</b>	(14,312)	(32)	(11,179)	2,284	0	(23,239)
<b>Reserves</b>						
General Fund (Corporate)	0	0	0	1,498	0	1,498
Earmarked (Directorate)	(2,317)	(3,400)	0	0	2,024	(3,693)
General Fund (Smoothing)	(105)	0	0	0	2,717	2,612
<b>Inflation</b>	0	0	0	5,760	0	5,760
<b>Funding Available for Mayoral Priorities</b>	0	0	0	0	0	0
<b>Total Financing Requirement</b>	293,865	(20,803)	(17,169)	42,443	(530)	297,806
<b>Government Funding</b>	(211,835)	0	0	61,165	0	(150,670)
<b>Retained Business Rates</b>	0			(96,361)	0	(96,361)
<b>Council Tax</b>	(80,430)	(554)	0	17,641	0	(63,343)
<b>Collection Fund Surplus</b>	0	0	(1,645)	0	0	(1,645)
<b>Total Financing</b>	(292,265)	(554)	0	78,806	0	(312,019)

3. To agree a Council Tax for Tower Hamlets in 2013/14 of £885.52 at Band D 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. To agree that for the London Borough of Tower Hamlets in 2013/14:-

(a) The Council Tax for Band D taxpayers, before any discounts, and including the GLA precept, shall be £1,188.52 as shown below: -

	£
	(Band D, No Discounts)
LBTH	885.52
GLA	303.00
Total	1,188.52

(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: -

<b>BAND</b>	<b>PROPERTY VALUE</b>		<b>RATIO TO BAND D</b>	<b>LBTH</b>	<b>GLA</b>	<b>TOTAL</b>
	<b>FROM</b>	<b>TO</b>				
	£	£		£	£	£
A	0	40,000	$\frac{6}{9}$	590.35	202.00	792.35
B	40,001	52,000	$\frac{7}{9}$	688.74	235.67	924.41
C	52,001	68,000	$\frac{8}{9}$	787.13	269.33	1,056.46
D	68,001	88,000	$\frac{9}{9}$	885.52	303.00	1,188.52
E	88,001	120,000	$\frac{11}{9}$	1,082.30	370.33	1,452.63
F	120,001	160,000	$\frac{13}{9}$	1,279.08	437.67	1,716.75
G	160,001	320,000	$\frac{15}{9}$	1,475.87	505.00	1,980.87
H	320,001	and over	$\frac{18}{9}$	1,771.04	606.00	2,377.04

5. To approve the statutory calculations of this Authority's Council Tax Requirement in 2013/14, detailed in **Appendix 2** to these minutes, undertaken by the Chief Financial Officer in accordance with the requirements of Sections 31 to 36 of the Local Government Finance Act 1992.





Detailed analysis of the Medium Term Financial Plan by service area 2013/14 to 2015/16

Service	Base	Savings		Growth	Adjustments	Total	Savings		Growth	Adjustments	Total	Savings		Growth	Adjustments	Total
	2012-13 £'000	Approved £'000	New £'000				2013-14 £'000	Approved £'000				New £'000	2014-15 £'000			
Education, Social Care and Wellbeing	183,651	(3,750)	(3,910)	21,326	(2,184)	195,133	(1,960)	(50)	2,567	(710)	194,980	0	0	(909)	0	194,071
Communities, Localities and Culture	78,855	(5,017)	(249)	5,417	(3,319)	75,687	(350)	(65)	785	(565)	75,493	0	0	(222)	0	75,271
Development & Renewal	20,192	(5,542)	(126)	1,720	(597)	15,647	(1,534)	0	0	0	14,113	0	0	0	0	14,113
Resources	11,811	(1,206)	(90)	1,250	(904)	10,861	(230)	0	0	0	10,631	0	0	0	0	10,631
Chief Executives	9,545	(187)	(463)	0	(909)	7,986	0	0	0	0	7,986	0	0	296	0	8,282
Public Health	0	0	0	29,982	0	29,982	0	0	0	0	29,982	0	0	0	0	29,982
Net Service Costs	304,054	(15,702)	(4,838)	59,695	(7,913)	335,296	(4,074)	(115)	3,352	(1,275)	333,184	0	0	(835)	0	332,349
<b>Other Net Costs</b>																
Capital Charges	10,010	0	(150)	1,000	0	10,860	0	0	1,000	0	11,860	0	0	0	0	11,860
Levies	2,415	0	(399)	0	0	2,016	0	0	0	0	2,016	0	0	0	0	2,016
Pensions	13,142	0	0	2,250	0	15,392	0	0	2,200	0	17,592	0	0	2,000	0	19,592
Other Corporate Costs	(19,022)	(1,669)	(603)	1,338	2,642	(17,314)	(2,503)	0	(2,184)	0	(22,001)	0	0	1,886	0	(20,115)
<b>Total Other Net costs</b>	6,545	(1,669)	(1,152)	4,588	2,642	10,954	(2,503)	0	1,016		9,467	0	0	3,886	0	13,353
Public Health Grant	0	0	0	(31,382)	0	(31,382)	0	0	0	0	(31,382)	0	0	0	0	(31,382)
Core Grants	(14,312)	(32)	(11,179)	2,284	0	(23,239)	(2,000)	(1,000)	2,540	0	(23,699)	(2,000)	(1,000)	2,594	0	(24,105)
<b>Reserves</b>																
General Fund (Corporate)	0	0	0	1,498	0	1,498	0	0	302	0	1,800	0	0	(1,800)	0	0
Earmarked (Directorate)	(2,317)	(3,400)	0	0	2,024	(3,693)	0	0	0	710	(2,983)	0	0	0	0	(2,983)
General Fund (Smoothing)	(105)	0	0	0	2,717	2,612	0	0	0	0	2,612	0	0	0	0	2,612
Inflation	0	0	0	5,760	0	5,760	0	0	6,342	0	12,102	0	0	7,000	0	19,102
Funding Available for Mayoral Priorities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Financing Requirement</b>	293,865	(20,803)	(17,169)	42,443	(530)	297,806	(8,577)	(1,115)	13,552	(565)	299,603	(2,000)	(1,000)	10,845	0	308,946
Government Funding	(211,835)	0	0	61,165	0	(150,670)	0	0	27,702	0	(122,968)	0	0	17,092	0	(105,876)
Retained Business Rates	0	0	0	(96,361)	0	(96,361)	0	0	(2,402)	0	(98,763)	0	0	(1,469)	0	(100,232)
Council Tax	(80,430)	(554)	0	17,641	0	(63,343)	0	0	(1,584)	0	(64,927)	0	0	(1,623)	0	(66,550)
Collection Fund Surplus	0	0	(1,645)	0	0	(1,645)	0	0	0	0	0	0	0	0	0	0
<b>Total Financing</b>	(292,265)	(554)	0	78,806	0	(312,019)	0	0	26,118		(286,658)	0	0	15,469	0	(272,658)

**APPENDIX 1****BUDGET COUNCIL MEETING – 27<sup>th</sup> 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.

**Budget Council Meeting – 27<sup>th</sup> 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.

**APPENDIX 2****LONDON BOROUGH OF TOWER HAMLETS  
COUNCIL 7<sup>th</sup> MARCH 2013  
BUDGET & COUNCIL TAX STATUTORY CALCULATIONS****SETTING THE AMOUNT OF COUNCIL TAX FOR THE COUNCIL'S AREA**

1. That the revenue estimates for 2013/2014 be approved.
2. That it be noted that, at its meeting on 9<sup>th</sup> January 2013, Cabinet calculated 71,531 as its Council Tax base for the year 2013/2014 [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")]
3. That the following amounts be now calculated by the Council for the year 2013/14 in accordance with Section 31 to 36 of the Local Government Finance Act 1992 as amended and the Local Authorities (Alteration of Requisite Calculations) (England) Regulations 2011:
  - (a) £1,191,184,000 Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of The Act. [Gross Expenditure]
  - (b) £1,127,841,000 Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of The Act. [Gross Income]
  - (c) £63,343,000 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 31A(4) of The Act, as its council tax requirement for the year. (Item R in the formula in Section 31B of The Act). [Council Tax Requirement]
  - (d) £885.52 Being the amount at 3(c) above (Item R), all divided by Item T (2 above), calculated by the Council, in accordance with Section 31B(1) of The Act, as the basic amount of its Council Tax for the year. [Council Tax]



(e)	<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(d) 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 2013/14 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	202.00
B	235.67
C	269.33
D	303.00
E	370.33
F	437.67
G	505.00
H	606.00

5. That, having calculated the aggregate in each case of the amounts at 3(d) 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 2013/14 for each of the categories of dwellings shown below:-

<b>VALUATION BAND</b>	<b>TOTAL COUNCIL TAX £</b>
A	792.35
B	924.41
C	1056.46
D	1188.52
E	1452.63
F	1716.75
G	1980.87
H	2377.04

6. Government regulation now requires a local authority to conduct a referendum where if compared with the previous year, they set council tax increases that are “excessive”. Under current legislation and in accordance with principles approved under Section 52ZB Local Government Finance Act 1992, the Council tax set by the London Borough of Tower Hamlets for 2013/14 is not deemed to be excessive.

The meeting ended at 9.05 p.m.

Councillor Rajib Ahmed,  
Speaker of the Council