

**LONDON BOROUGH OF TOWER HAMLETS**

**MINUTES OF THE CABINET**

**HELD AT 5.40 P.M. ON WEDNESDAY, 4 JANUARY 2023**

**C1, 1ST FLOOR, TOWN HALL, MULBERRY PLACE, 5 CLOVE CRESCENT,  
LONDON, E14 2BG**

**Members Present in Person:**

|                                   |   |
|-----------------------------------|---|
| Mayor Lutfur Rahman               |   |
| Councillor Maium Talukdar         | (Deputy Mayor and Cabinet Member for Education, Youth and Lifelong Learning (Statutory Deputy Mayor)) |
| Councillor Ohid Ahmed             | (Cabinet Member for Safer Communities)  |
| Councillor Saied Ahmed            | (Cabinet Member for Resources and the Cost of Living)   |
| Councillor Suluk Ahmed            | (Cabinet Member for Equalities and Social Inclusion)  |
| Councillor Gulam Kibria Choudhury | (Cabinet Member for Health, Wellbeing and Social Care)  |
| Councillor Abu Chowdhury          | (Cabinet Member for Jobs, Skills and Growth)  |
| Councillor Iqbal Hossain          | (Cabinet Member for Culture and Recreation)   |
| Councillor Kabir Hussain          | (Cabinet Member for Environment and the Climate Emergency)  |

**Members In Attendance Virtually:**

|                        |  |
|------------------------|--|
| Councillor Kabir Ahmed | (Cabinet Member for Regeneration, Inclusive Development and Housebuilding) |
|------------------------|--|

**Other Councillors Present in Person:**

Councillor Peter Golds

**Other Councillors In Attendance Virtually:**

Councillor Sirajul Islam

**Officers Present in Person:**

|               |  |
|---------------|--|
| Ann Corbett   | (Director, Community Safety)                       |
| Nisar Visram  | (Director of Finance, Procurement & Audit)         |
| Ellie Kershaw | (Acting Director, Growth and Economic Development) |
| James Thomas  | (Corporate Director, Children and Culture)         |
| Will Tuckley  | (Chief Executive)                                  |
| Richard Ward  | (Interim Head of Contracts and Procurement)        |
| Joel West     | (Democratic Services Team Leader (Committee))      |

**Officers In Attendance Virtually:**

Kevin Bartle

(Financial Consultant- formerly Interim Corporate Director, Resources & Section 151 Officer)

**1. APOLOGIES FOR ABSENCE**

Apologies for absence were received from:

- Janet Fasan, Director Legal and Monitoring Officer (Richard Ward, Head of Contracts & Commercial was deputising)
- Ann Sutcliffe, Corporate Director, Place (Ellie Kershaw, Director of Integrated Growth & Development was deputising).

**2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS AND OTHER INTERESTS**

There were no declarations disclosable pecuniary interests.

**3. UNRESTRICTED MINUTES**

**DECISION**

1. That the unrestricted minutes of the Cabinet meeting held on Wednesday 14 December 2022 be approved and signed by the Mayor as a correct record of proceedings.

**4. ANNOUNCEMENTS (IF ANY) FROM THE MAYOR**

The Mayor introduced his budget proposals (see item 6.1 and 6.2). There were no other announcements from the Mayor.

**5. OVERVIEW & SCRUTINY COMMITTEE**

**5.1 Chair's Advice of Key Issues or Questions**

There were no Pre-decision Scrutiny Questions. The Cabinet noted that Scrutiny Committee will be reviewing the 2023-24 Budget Report on Monday 9 January 2023.

**5.2 Any Unrestricted Decisions "Called in" by the Overview & Scrutiny Committee**

Nil items.

## **6. UNRESTRICTED REPORTS FOR CONSIDERATION**

### **6.1 Mayor's Foreword to the Council's Budget Report**

The item was considered alongside Agenda Item 6.2 (Mayor's Foreword to the Council's Budget Report) and the combined minute is presented at the minute for Item 6.2.

The Mayor asked that the budget foreword also make reference to: proposal to reopen Watney Market Idea Store, investment in the community language service and residents hubs; and the proposal to freeze Council Tax.

### **6.2 MTFS and Budget 2023-26 Report**

The item was considered alongside Agenda Item 6.1 (Mayor's Foreword to the Council's Budget Report) and the combined minute is presented here.

The Mayor introduced both reports. He stated he was proud of the ambitious budget which he felt would re-direct the Council's focus, reversing service cuts of the previous administration and reinvesting in public services, including:

- Green investment initiatives, including electric waste vehicles and charging points, improvements in flat waste recycling and in low carbon fuel supply.
- Youth service investment.
- Universal Free school meals for both primary and secondary school.
- Education maintenance allowance and university bursary scheme to promote access to education.
- Investments to directly combat crime, including in providing more police officers, enforcement officers and CCTV cameras.
- Improved Street cleansing.
- Plans to deliver 1,000 homes for rent per year to reduce overcrowding and the damage it causes to health and wellbeing of residents.
- Free home care for the vulnerable in the community.
- Protecting and re-opening Idea Stores.

Councillor Saied Ahmed, Cabinet Member for Resources and the Cost of Living provided detail of the financial context behind the Mayor's budget, including:

- How national government decisions made financial planning acutely difficult for local authorities
- Significant funding challenges including price rises, increasing interest rates and high fuel costs
- Increasing pressures in adult social care meant the council has little option but to levy the 2% adult social care precept.
- That despite the challenges above, the core rate of council tax, excluding the adult social care precept would not be increased

- A portion of the Council's reserves would be used to fund expenditure priorities, which would mean that residents would not suffer due to the economic crisis which is out of their control.

Kevin Bartle, Financial Consultant (and formerly Interim Corporate Director – Resources) and Nisar Visram, Director of Finance provided additional detail on the budget process and timetable. The Cabinet noted the budget would be considered by the Overview and Scrutiny Committee and any comments of the Scrutiny Committee would then be considered at the next Cabinet meeting. They noted that there would be additional detail in the budget report for the next Cabinet meeting, including detail of capital and growth and savings proposals. There may need to be further amendments at that second Cabinet meeting. Finally, a meeting of Council would agree the Budget and Council Tax for the authority.

Cabinet members highlighted some of the key investments of the Mayor's proposed budget from their service areas. All indicated they were very proud of a balanced budget which would deliver manifesto pledges.

The Mayor thanked Cabinet members and officers for their hard work to deliver this budget in an extremely challenging circumstances. He proposed that the draft budget be submitted to Scrutiny. He proposed the recommendations as set out and it was:

**RESOLVED to:**

1. Propose a draft General Fund Revenue Funding Requirement of **£446.257m** for 2023-24 subject to remaining changes arising from the final Local Government Finance Settlement and any other necessary adjustments.
2. Propose to freeze the Tower Hamlets element of Council Tax and to levy a 2% Adult Social Care precept for 2023-24.
3. Propose that the Interim Corporate Director Resources uses £22.3m from reserves in 2023-24 to support the budget as set out in section 3.9.8 given the shortfall emerging as part of the 2023-24 budget setting process.
4. Propose that the Interim Corporate Director Resources be authorised to make any changes required to the budget following receipt of the final Local Government Finance Settlement (LGFS) in consultation with the Mayor and Cabinet Member for Resources and the Cost of Living.
5. Authorise the Corporate Director Resources to continue the Council's participation in the 8 Authority Pool for Business Rates with seven other London Local Authorities for 2023-24, subject to due diligence.
6. Note the latest draft position of the Council's reserves, subject to final audit of the statements of accounts.

7. Propose the HRA housing rent and service charge increases as outlined in section 3.11. This includes increasing housing rents for existing tenanted properties by 7% for 2023-24 and for new build properties by CPI +1% for 2023-24 (as per paragraph 3.11.18 of the report).
8. Propose that the National Schools Funding Formula (NSFF) adopted by Tower Hamlets originally in 2019-20 continues for 2023-24. The only changes included are increases to the factor values in line with the NSFF.
9. Propose that the Minimum Funding Guarantee (the mechanism that guarantees schools a minimum uplift in per-pupil funding) is set as close to 0.5% as affordable, the maximum allowed after consideration for growth and factor changes in School allocations.
10. Propose that the structure of the Early Years Funding Formula remains unchanged except that the two year old hourly rates will increase in line with the Early Years National Funding Formula.
11. Note that the Local Council Tax Reduction Scheme will remain unchanged for 2023-24.
12. Note the Equalities Implications as set out in Section 5 of the report.

### **6.3 Fees and Charges 2023-24**

Councillor Saied Ahmed, Cabinet Member for Resources and the Cost of Living introduced the report that detailed proposed changes to fees and charges across the Council for the financial year 2023-24. Councillor Ahmed described the differences between statutory and discretionary charges and the approach taken to reviewing each type. He explained that in determining changes to fees and charges, benchmarking exercises with other local authorities had been conducted and the impact of general economic factors including Covid and the cost of living crisis had been taken into account.

He also highlighted that:

- the report introduced free parking concessions for one hour at specific locations around markets within the borough; and
- street trading charges would not be increased any further for next year.

Finally, Councillor Ahmed explained the interrelationship between this report and the MTFs and Budget report previously considered.

Cabinet members indicated their support of the proposed changes to fees and charges.

The Mayor welcomed the report and agreed the recommendations as set out in the report.

**RESOLVED** to:

13. Approve the proposed changes to discretionary fees and charges as detailed in the appendices, subject to the conditions set out in Recommendation 4 of the report.
14. Approve new discretionary fees and charges as detailed in the appendices, subject to the conditions set out in Recommendation 4 of the report.
15. Approve the revised statutory fees and charges as detailed in Appendix 2 to the report.
16. Note the Equalities Implications as set out in Section 4 of the report and that, where a proposed fee or charge requires a full Equality Impact Analysis (EIA), this EIA will be undertaken prior to the introduction of the change to the respective fee or charge.
17. Approve the continued delegation for amendments to fees and charges, including those to take account of the result of EIAs, to the relevant Corporate Director following consultation with the Lead Member and the Mayor.
18. Approve the application of the changes in Street Trading fees and charges, to take effect from 1 April 2023. Cabinet approved on 18 January 2022 to commence the consultation process in respect of Street Trading fees and charges, as detailed in the Fees and Charges 2022-23 report. The consultation has subsequently been carried out in 2022.

## **7. ANY OTHER UNRESTRICTED BUSINESS CONSIDERED TO BE URGENT**

Nil items.

## **8. EXCLUSION OF THE PRESS AND PUBLIC**

Nil items.

## **9. EXEMPT / CONFIDENTIAL MINUTES**

Nil items.

## **10. OVERVIEW & SCRUTINY COMMITTEE**

### **10.1 Chair's Advice of Key Issues or Questions in Relation to Exempt / Confidential Business**

Nil items.

### **10.2 Any Exempt / Confidential Decisions "Called in" by the Overview & Scrutiny Committee**

Nil items.

**11. EXEMPT / CONFIDENTIAL REPORTS FOR CONSIDERATION**

Nil items.

**12. ANY OTHER EXEMPT/ CONFIDENTIAL BUSINESS CONSIDERED TO BE URGENT**

Nil items.

The meeting ended at 6.30 p.m.

Chair, Mayor Lutfur Rahman  
Cabinet