

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets out our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

General Comments of the Chief Financial Officer

The proposals are deemed to be cost neutral in 2014/15, although there would be some additional one-off costs. Those could be provided for within the Medium Term Financial Plan on the basis of the assumptions set out below.

The major elements of the additional costs (and in particular the Council Tax rebate) are assumed to be one-off, for 2014/15 only, whereas the proposed budget reductions, except where detailed in the following attachments, are assumed to be ongoing.

It is likely that one-off reserves would be required to fund costs of decommissioning services, where they would be subject to the Council's organisational change procedure, or involve termination of contracts, and so would not be implementable from 1st April. However, because savings over the period of the MTFP, arising from the proposals, are assumed to be some £2m per annum from 2015/16, these additional costs could be contained within the MTFP period by bringing forward use of available general reserves.

General Legal Comments

When carrying out its functions (including when making budget decisions), the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010 (e.g. discrimination), the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't. Some form of equality analysis may be required to ensure the Council acts consistently with this public sector equality duty and the level of such analysis will generally depend on the nature of the decision and how it will impact on individuals. In some cases consultation with affected people may be required. Some of the proposals outlined below may give rise to the need for analysis.

Where budget is made available for a particular proposal, implementation will generally be a matter for the executive.

Specific legal comments are set out below in relation to proposals which require them.

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Provide additional resources to identify and fix pot holes - £120,000.

Corporate Director's Comments

This proposal would provide two months borough wide coverage. The average cost per pothole repair is £83.

Any additional comments of the Chief Financial Officer

This is assumed to be one-off additional expenditure for 2014/15, funded either from compensatory savings or bringing forward the use of general fund reserves.

Any additional legal comments

None

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Provide additional resources to clean up dog mess - £100,000.

Corporate Director's Comments

The resources could be used to fund either 3 additional sweepers or an extensive education programme for dog owners or a mixed of both.

Any additional comments of the Chief Financial Officer

This is assumed to be one-off additional expenditure for 2014/15, funded either from compensatory savings or bringing forward the use of general fund reserves.

Any additional legal comments

None

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Reinstate the fireworks across the borough that were cancelled in 2013 - £100,000.

Corporate Director's Comments

Although not stated we assume that this proposal transfers the fireworks event back to Victoria Park. There is no core budget provision for the fireworks event. The last fireworks delivered at Victoria Park cost £150k. The cost of delivering the event is now higher, there will be a larger number attending and the event management plan is more complex for us to deliver a safe event within the park.

Any additional comments of the Chief Financial Officer

This is assumed to be one-off additional expenditure for 2014/15, funded either from compensatory savings or bringing forward the use of general fund reserves.

Any additional legal comments

None

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Fund extra classes with the aim of abolishing waiting lists for ESOL - £75,000.

Corporate Director's Comments

The proposal is unlikely to eradicate the waiting list which has already come down from up to two years to eight weeks. The causes relate to issues like eligibility queries, reluctance of applicant to travel to vacancies in other parts of the borough and delays related to finding and payment for childcare. That said, the average cost per group of 15 learners for 140 hours provision is £17k, the sum provided will pay for an additional four classes.

Any additional comments of the Chief Financial Officer

This is assumed to be one-off additional expenditure for 2014/15, funded either from compensatory savings or bringing forward the use of general fund reserves.

Any additional legal comments

None

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Add 6 Police Constables, on top of any planned increases in police numbers - £73,000.

Corporate Director's Comments

The proposed sum of £73k will not pay for 6 additional police constables as the MOPAC agreement has to be for a 3 year term. The minimum sum required for an additional 6 in year 1 is £73k but the total sum that would need to be committed over a 3 year period would have to be £582k.

Any additional comments of the Chief Financial Officer

The proposal is to provide for an additional 6 Police Constables under the current MOPAC agreement, at a cost in 2014/15 of £73k. This requires a minimum 3 years agreement that is estimated to cost a further £255k per annum to March 2017. The 2014/15 cost can be funded either from compensatory savings or by bringing forward the use of general fund reserves, but additional savings will have to be identified within the MTFP for 2015/16 and 2016/17.

Any additional legal comments

None

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Alter the planned rebate to instead provide a 5.75% rebate to all households in the borough worth £50.92 to Band D households, at a total cost of £3,820,795, offset by the £575,000 already set aside for a rebate.

Corporate Director's Comments

This is possible to implement under Section 13A local discounts, but there will be limited time to prepare programmes and carry out testing so close to the annual billing deadline. This could risk meeting the requirement of the first instalment date, with consequential implications for cash-flow at the beginning of the financial year.

Any additional comments of the Chief Financial Officer

None.

Any additional legal comments

None

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

End all corporate, commercial and private events except already contracted events - £163,000.

Corporate Director's Comments

The Parks and Open Spaces budget is committed to contributing to the MTFP through the generation of additional income. The proposal would provide core funding for one year to take the place of this income.

Any additional comments of the Chief Financial Officer

This is assumed to be one-off additional expenditure for 2014/15, funded either from compensatory savings or bringing forward the use of general fund reserves.

Any additional legal comments

None

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Scrap bulk waste charges completely - £60,000.

Corporate Director's Comments

This is a decision of the Executive in the setting of fees and charges.

Any additional comments of the Chief Financial Officer

The proposal would represent a net ongoing cost of £60k, for which compensatory savings for 2015/16 and beyond will need to be identified.

Any additional legal comments

The Council is empowered by section 12(3) of the Control of Pollution Act 1974 to recover a reasonable charge from a person who requests removal of a category of waste prescribed in Schedule 2 to the Collection and Disposal of Waste Regulations 1988. Those prescribed categories include bulky waste. The setting of such a charge is an executive function.

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Maintain Council tax collection rate of 96.65% as achieved in 2012/13 and projected to be achieved in 2013/14, rather than rate set for 2014/15 of 96% - £431,574.

Corporate Director's Comments

The 96% target was set to take into account the effect of risks such as Welfare Reform and reduction in yield as a result of the introduction of the Local Council Tax Support Scheme.

A prudent collection rate has been used to take into account these risks to council tax collection.

Any additional comments of the Chief Financial Officer

None.

Any additional legal comments

None

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Faith buildings – £875,000 – remove funding for 2014/15.

Corporate Director's Comments

The Community Faith Buildings support scheme's purpose is to offer assistance to faith communities to repair, adapt and improve buildings in Tower Hamlets in which faith-based activities occur.

The scheme has nominally been split into three rounds with the expectation that grant awards will be made in each round.

The total grant reserved for allocation in Round three (2014/15) is £875,000. This sum is not contractually committed.

Any additional comments of the Chief Financial Officer

This would represent a one-off saving of £875k.

Any additional legal comments

Council should consider whether equality analysis is required before removing the scheme.

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Remove budget for Mother Tongue - £776,000.

Corporate Director's Comments

The full value of £776k is likely to be significantly eroded by redundancy and service decommissioning cost. There would be community cohesion issues that would need to be managed.

Any additional comments of the Chief Financial Officer

The proposal is assumed to be an on-going revenue saving of £776k per annum. However, there will be costs of decommissioning the service that would have to be funded from bringing forward the use of general fund reserves.

Any additional legal comments

Council should consider whether equality analysis is required before removing the scheme.

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Cut the budget for spin doctors and advisors - £502,000.

Corporate Director's Comments

The base budget for the Mayor's Office is £325k in 2014/15. There is an additional one-off budget for 2014/15 of £277k, funded from earmarked reserves. This brings the total budget for the Mayor's Office to £602k.

Under statute the Mayor has a right to a political advisor. Beyond that is a matter of Council's/Mayor's executive discretion under the constraints of the approved budget for the service.

Reducing the 2014/15 budget to £100k to fund a political advisor and the existing PA/Executive assistant would represent a £502k saving in 2014/15, but only a recurrent saving of £225k (i.e. for 2015/16 and beyond). Considerations will have to be made for the cost of making staff redundant. There may also be committed costs that will reduce saving in 2014/15.

Any additional comments of the Chief Financial Officer

The proposal is to reduce the budget for the Mayor's Office by £502k. This represents a one-off saving of £277k and an ongoing saving of a further £225k.

There is a high likelihood of additional redundancy costs which could be financed by bringing forward general fund reserves.

Any additional legal comments

None.

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Communications Budget – Reduce this excessive spending - £300,000.

Corporate Director's Comments

The Code of Recommended Practice on Local Authority Publicity (2011) has been incorporated into legislation without amendment and therefore provides a steer for local authorities on appropriate activity. Whilst the Code is clear that all communications activity needs to be evaluated from a value for money perspective it also states that councils should consider the best means of communicating information regarding community safety, health, crime prevention, race relations, equality and diversity issues.

A cut of £300k would result in significant reduced capacity for a department that currently receives in excess of 100 media enquiries per month, copy writes for the council's website and other council publications and ensures the public are informed about council services, policies and procedures.

It should be noted the communications budget is a net nil budget.

Any additional comments of the Chief Financial Officer

The proposal is assumed to be an ongoing revenue saving of £300k per annum. However, there will be costs of decommissioning the service that would have to be funded from bringing forward the use of general fund reserves.

Any additional legal comments

None.

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets out comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Trade Union Facility Time: Scrap taxpayer subsidy for political activities - £250,000.

Corporate Director's Comments

Historically, the Council has supported the system of collective bargaining and believed in the principle of solving industrial relations issues by discussion and agreement. As a democratic organisation we recognise the role of trade unions in supporting Council employees and we provide time off for trade union officials to support workers within the organisation on council business.

Under the Trade Union and Labour Relations (Consolidation) Act 1992, Trade Unions representatives have a legal right to reasonable paid time off for duties such as negotiating pay, terms and conditions, representing union members in disciplinary or grievance matters, health & safety matters, accompanying members to some meetings with their line managers and discussing issues such as redundancies. Without paid trade union officials, this role would, in the main, be undertaken by part-time shop stewards who, of necessity, may lack the experience and expertise possessed by full-time trade union officials.

Additionally, the successful implementation and operation of HR policies and procedures is dependent upon the collaboration of paid trade union officials, whose understanding of Council policies and employment legislation produces a far more informed and useful interaction than would otherwise be the case. Finally, allowing experienced representation for employees during (for example) Organisational Change or disciplinary proceedings minimises the possibilities of its actions being overturned in Employment Tribunal or other Courts of Law.

Note that the cost of Trade Union Salaries (c. £250,000 p.a.) represents about 0.25% of the total salary bill.

Any additional comments of the Chief Financial Officer

The proposal would deliver a full year saving of £250k but would not be fully achievable from the 1st of April 2014 due to the Council's HR organisational

change procedure, and associated one-off costs. The proposal would therefore require bringing forward the use of general fund reserves.

Any additional legal comments

The Council must continue to meet its obligations under the Trade Union and Labour Relations (Consolidation) Act 1992 to permit time off during working hours for carrying out specified trade union functions.

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Stop non-statutory translation of documents into foreign languages in order to promote our One Tower Hamlets objective and follow DCLG best practice - £246,888.

Corporate Director's Comments

Purely stopping non-statutory translation of documents into foreign languages will not in itself achieve the full £246k savings, as that figure represents total spend on interpretation and translation of documents, the majority of which relates to interpretation in face-to-face and telephone interviews with clients.

Not every person affected by Council services will be an English speaker. It is therefore highly unlikely that the Council could completely eliminate the requirement to translate documents and conversations for the benefit, for example, of non-English speaking members of the public who are affected by social care issues. These costs where necessary would need to be met from other Directorate budgets.

Any additional comments of the Chief Financial Officer

The proposal is likely require additional one-off costs, including redundancies and contract termination, which will have to be funded by bringing forward the use of reserves.

Any additional legal comments

Council should consider whether equality analysis is required before removing the scheme and whether consultation with affected communities may assist.

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Retain community grants budget, but reduce TH Arts & Events budget - £200,000.

Corporate Director's Comments

TH Arts and Event budgets funds the activities that generate income that helps support the community grant budget and the wider community arts programme. The budget reduction may result in the closure of the Brady Arts Centre, Kobi Nazrul and reduction in the TH Arts and Events budgets may jeopardise the community arts programme.

Any additional comments of the Chief Financial Officer

A reduction of £200k may require decommissioning costs in 2014/15 that would need to be funded from bringing forward the use of general fund reserves.

Any additional legal comments

Council should consider whether equality analysis is required before removing the scheme whether consultation with affected groups and the community would assist.

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Councillor Pensions – Scrap entirely, in line with DCLG guidance - £126,333.

Corporate Director's Comments

Pension contributions form part of the Members' allowances scheme, as agreed by the Council in accordance with Part 6 of the constitution.

Any additional comments of the Chief Financial Officer

This would represent an ongoing saving of £126k from the Council's corporate costs budget.

Any additional legal comments

The eligibility of elected councillors to participate in the local government pension scheme was introduced in 2003 by the Local Government Pension Scheme and Discretionary Compensation (Local Authority Members in England) Regulations 2003, which made relevant changes to the Local Government Pension Scheme Regulations 1997 to provide that eligible councillors could be active members of the Scheme. Those changes were expressly preserved by the Local Government Pension Scheme (Transitional Provisions) Regulations 2008 when the 1997 Regulations were revoked upon commencement of the Local Government Pension Scheme (Administration) Regulations 2008. The eligibility of elected councillors is also proposed to be preserved by the Local Government Pension Scheme (Transitional Provisions and Savings) Regulations 2013 when the Local Government Pension Scheme Regulations 2013 take effect on 1 April 2014.

Whether or not a councillor is an eligible councillor is determined by reference to the Local Authorities (Members' Allowances) (England) Regulations 2003. Under those Regulations, the Council may make a member allowances scheme which sets out: (a) which members of the authority are entitled to pensions in accordance with the Local Government Pension Scheme; and (b) whether the basic allowance or the special responsibility allowance, or both, may be treated as amounts in respect of which such pensions are payable.

The Council could, by varying its member allowances scheme, specify that members will not be entitled to participate in the scheme. Before doing so, the Council should consider the impacts of that decision.

Council should consider whether equality analysis is required before removing the scheme and whether consultation would assist with that.

In 2013, the Government consulted on whether to introduce changes designed to prevent access by local authority councillors to the Local Government Pension Scheme. The results of that consultation are not yet known, although previous policy statements suggest that legislative change may be forthcoming.

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Stop hiring out external venues for internal Council meetings and away-days (though enable Members to continue holding surgeries in the community) - £118,000.

Corporate Director's Comments

The majority of external venue hires are related to the provision of Council services. Amongst others, these services include health related events (drug and alcohol related advice clinics, healthy living etc.), services for the elderly and other vulnerable citizens, training days to ensure that service providers and partners are up to date with latest legislation, policies and professional service requirements.

There is very little hiring out of external venues for internal council meetings and away-days.

Any additional comments of the Chief Financial Officer

The proposal would require a general budget reduction of £118k from across Council supplies and services budgets.

Any additional legal comments

None

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Reduce printing needs by making better use of IT - £50,000.

Corporate Director's Comments

A large proportion of printing costs remain a statutory requirement. The proposal would mean notprinting the majority of non-statutory work.

A project is underway for both Council Tax and Business Rates to increase electronic contact and therefore reducing costs of printing, enveloping and postage.

Any additional comments of the Chief Financial Officer

The proposal represents an ongoing saving of £50k.

Any additional legal comments

None

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

Abolish the Mayoral car - £42,000.

Corporate Director's Comments (None)

The cost of the Mayor's car is £42k inclusive of lease costs, petrol and the cost of the driver.

A reduction of £30k can be achieved in 2014/15, due to ongoing fixed costs, with a full year saving of the £42k from 2015/16.

Any additional comments of the Chief Financial Officer

Although the full year ongoing saving is £42k, for the reason set out above, the actual saving for 2014/15 is less. This difference can be financed by re-phasing the use of general fund reserves, given the overall package of savings proposals.

Any additional redundancy cost would also need to be funded from bringing forward general fund reserves.

Any additional legal comments

None

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

End subscription to Randalls Parliamentary Service and Meltwater PR - £15,000.

Corporate Director's Comments

This saving is achievable, but would have significant opportunity cost implications of staff time.

Any additional comments of the Chief Financial Officer

The proposal would represent an ongoing saving of £15k.

Any additional legal comments

None

OFFICERS' COMMENTS ON ALTERNATIVE BUDGET PROPOSAL BY THE CONSERVATIVE PARTY

The following sets our comments by officers on a proposal offered up in the budget amendment. Members of the Council should take this advice into consideration when considering and debating the amendment in question.

Proposal

End refreshments at Council meetings - £4,000.

Corporate Director's Comments

This proposal is achievable and would yield the projected saving of £4k p.a.

Any additional comments of the Chief Financial Officer

None.

Any additional legal comments

None