

REPORT TO BUDGET COUNCIL

5TH MARCH 2015

GENERAL FUND REVENUE BUDGET & COUNCIL TAX 2015/16 CAPITAL PROGRAMME AND MEDIUM TERM FINANCIAL PLAN 2015- 2018

TREASURY MANAGEMENT STRATEGY STATEMENT, MINIMUM REVENUE PROVISION POLICY STATEMENT & ANNUAL INVESTMENT STRATEGY 2015/16

Mayor's Revised Budget Motion

1 INTRODUCTION

- 1.1 At the first Budget Council meeting on 25th February, the Council considered two amendments to the Cabinet's budget approved on 4th February. The Mayor did not accept any of the proposed amendments.
- 1.2 The budget motion was amended by the Labour amendment which was agreed by the majority of councillors at the meeting.
- 1.3 The Mayor has considered the amendment passed by Council on 25th February and has not altered his original proposals.
- 1.4 The effect of this is that the Council will on 5th March vote on whether to amend the Mayor's proposals in accordance with the Labour group's amendment passed by Council on 25th February. Should the amendment not achieve a two-thirds majority, the Mayor's budget proposals will be adopted.
- 1.5 Officer advice on the proposals in the budget has been received by Members in the Budget Council Document Pack and papers tabled at Council on 25th February. In the interests of economy Members are requested to bring these with them to the meeting and to take account of these in making their decisions.

2 MAYOR'S RESPONSE TO THE COUNCIL'S AMENDMENT

The Mayor of Tower Hamlets comments;

- 2.1 I have considered the detail of the budget amendment passed by Council on 25th and I reject the proposed amendments for the reasons set out in the table below.

Budget Amendment	Response	Reason
Delete Funding for the Mayoral Advisors	Reject	<p>The funding allocation for the Mayor's office has been thoroughly calculated based on comparable Mayoral Offices reflecting the increased workload undertaken by the Mayor's Office in a new Executive Mayoral System.</p> <p>Only 0.03% of the Council's budget is spent on specialist advice.</p> <p>The costs of the Mayor's Office are comparable to other London Councils with Mayoral Systems including Newham, Lewisham and Hackney.</p> <p>In 2010, the Tower Hamlets electorate voted for a strong Mayoral System, which I am committed to delivering.</p> <p>Receiving independent advice and support enables me to deliver the pledges on which I was elected, and other Mayoral policy projects, including replacing the EMA, building the most affordable homes in the UK, absorbing council tax benefit and keeping all libraries, youth centres and children's centres open.</p>
Scrap the Mayoral car	Reject	<p>The provision of a small efficient ecologically friendly car is the most effective way for the Mayor to meet his extensive public engagements.</p>
Implement a departmental top slice for communications spending (across CLC, D&R, ESWB),	Reject	<p>This would reduce the ability for departments to inform residents about the service on offer and any service changes.</p> <p>Recent directorate communications activity has concentrated on promoting digital inclusion, encouraging the take up of free childcare for two year olds, and the Young Mayor elections.</p> <p>These are all important services and campaigns about which residents should be informed.</p>
Save £100,000 from the legal services budget.	Reject	<p>An unplanned top-slice would reduce the capacity of legal services to provide legal support required for the Council's functions.</p>

		<p>This includes safeguarding, planning, homelessness, licencing, committee support and employment.</p> <p>A longer term service review is currently underway which may determine improved service efficiencies which could result in savings.</p>
Delete the budget for Kobi Nazrul	Reject	<p>The Kobi Nazrul Centre is a council owned community asset which is currently underused. It best serves the Council and best value duty if it is fully utilised with a range of events and activities.</p> <p>A dedicated staff and running costs budget is required to enable this.</p> <p>This follows the model employed by the Brady Arts Centre.</p>
Save an additional £150,000 from the smoking cessation budget.	Reject	<p>A saving from this budget has already been made to reflect the reduction in smoking levels. Any further reduction would not allow the council to meet public health targets.</p> <p>Much of this funding is focused on reducing smoking amongst the most vulnerable groups, including pregnant women.</p> <p>The Public Health Grant is a ring fenced grant which must be used for services which result in public health benefits. There is no alternative public health expenditure suggested.</p>
Impose a 50% cut to the recurrent budget for the Annual Residents Survey – from £45,000 to £22,500.	Reject	<p>The Annual Residents Survey is a key element of our performance monitoring and consultation with residents.</p> <p>A reduction of this service, either through a reduction in questions, sample size or regularity, would make it more difficult to assess the effectiveness of Council services.</p> <p>In addition, poorer timeliness of data at a time when services are changing as a result of budget reductions and changes to central government policy would make it more difficult to assess the impacts on residents.</p>
Increase planning	Reject	<p>The Council generates £3.8m a year through charges for various planning and building</p>

charges in order to increase in-house capacity and improve consultation.		<p>control services. This includes a range of statutory and discretionary charges.</p> <p>Planning charges are kept under review and have been increased where considered it will not have an adverse impact on market conditions.</p>
Reverse the cut to 'Deliver more Streetcare Monitoring through Champions & Volunteers'	Reject	<p>The budget reductions have required us to use different methods to deliver services.</p> <p>This is why the Council has invested in the Clean and Green Line and Find it Fix it Love it App, so it is easier for residents to inform us of street cleanliness issues which we can then resolve.</p> <p>By working with residents we have reduced the need for such a large Streetcare Team.</p>
Reverse the cut to 'Reduce duplication in Leaving Care Service'.	Reject	<p>This service efficiency will move our service provision to the statutory provision.</p> <p>All young people leaving care will still receive support from Personal Advisors at the point at which they start to prepare for independence.</p> <p>This support is in addition to social work support and guidance through the virtual school.</p>
Invest £110,000 into a 24 hour noise service.	Reject	<p>The Council already responds to noise issues throughout the weekend.</p> <p>The Council operates a specific noise service during the busiest hours at the weekend.</p> <p>When the noise line is closed (3.30am-8.30pm on weekends) the line is diverted to the CCTV room and THEOs are available to address the noise complaint.</p>
Invest £10k (sic presume £10.5k) into safe cycle storage: £5,000 for officers to identify sites for safe-cycle storage and £5,500 for implementation	Reject	<p>This investment would duplicate funding already received from Transport for London.</p> <p>In 15/16 we will receive £115,000 for street-cycle parking and secure cycle parking such as shelters and individual lockers.</p> <p>Since 2010/11 the Council has provided an additional 1,436 cycle parking spaces.</p> <p>This funding would only provide around an additional 20 cycle parking spaces.</p>

<p>Provide £250,000 funding and support to incentivise schools to provide additional places for childcare provision for two year olds, so that more children receive the 15 hours of childcare they are currently entitled to.</p>	<p>Reject</p>	<p>This investment would duplicate funding already received from the Department for Education.</p> <p>The 14/15 budget for new 2 year old places is £4.2m in revenue spending and £1.3m of capital funding.</p> <p>To date we have provided an additional 598 places for 2 year olds and have another 823 planned for next year.</p> <p>The main challenge to ensuring more children receive the childcare they are entitled to, is not provision, but take up of places. This is why our focus is on a major communications campaign to promote the available places.</p>
--	---------------	--

3. RECOMMENDATION

- 3.1 That the Council adopt the Budget Motion as attached at Annex 1. (Note the document is attached to the decisions and minutes for the 5th March 2015 Council Meeting).