

Budget Amendment 2020/2021

Community Language Service and Housing, Assets and Community Land Trusts

Proposed: Cllr Rabina Khan

Seconder: Cllr Harun Miah

The Council Notes:

1. That the Mayor has proposed an increase of Council Tax by 3.99%, which is point 1% behind 4% where a referendum would be needed to confirm this rise in council tax.
2. The Mayor's previous budget savings proposals (see Table 1) show clear slippage and revised savings. It is neither deliverable or achievable.

MTFS Savings Tracker 2019-22 as at 31 December 2019 - Summary

	2019-20							2020-21						2021-22						
	Savings target	Slippage from previous year	Revised Savings target	Delivered / cashed	Forecast savings	Variance - Slippage	Variance - Under / (over) delivery	Savings target	Slippage from previous year	Revised Savings target	Forecast savings	Variance - Slippage	Variance - Under / (over) delivery	Savings target	Slippage from previous year	Revised Savings target	Forecast savings	Variance - Slippage	Variance - Under / (over) delivery	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Directorate																				
Health, Adults & Community	2,752	679	3,431	1,697	2,577	854	-	1,190	854	2,044	1,751	-	293	1,700	-	1,700	1,700	-	-	
Children and Culture	3,443	1,550	4,993	450	645	1,000	3,348	1,800	1,000	2,800	1,950	250	600	300	250	550	550	-	-	
Place	2,456	530	2,986	1,351	1,886	300	800	3,080	380	3,460	3,080	-	380	329	-	329	329	-	-	
Governance	50	-	50	50	50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Resources	525	2,250	2,775	-	2,075	700	-	2,770	700	3,470	2,570	300	600	200	300	500	200	-	300	
Cross-Directorate	5,619	5,248	10,867	258	4,177	4,690	2,000	5,750	4,690	10,440	10,440	-	-	5,630	-	5,630	5,630	-	-	
Total	14,845	10,257	25,102	3,806	11,410	7,544	6,148	14,590	7,624	22,214	19,791	550	1,873	8,159	550	8,709	8,409	-	300	
Savings Achievement Status																				
Savings Delivered / On Target	6,067	319	6,386	2,976	5,586	-	800	14,590	80	14,670	12,790	300	1,580	8,159	300	8,459	8,159	-	300	
Savings Slipping but Achievable	4,959	8,359	13,318	830	5,774	7,544	-	-	7,544	7,544	7,001	250	293	-	250	250	250	-	-	
Not Deliverable / Not Achievable	3,819	1,579	5,398	-	50	-	5,348	-	-	-	-	-	-	-	-	-	-	-	-	
Total	14,845	10,257	25,102	3,806	11,410	7,544	6,148	14,590	7,624	22,214	19,791	550	1,873	8,159	550	8,709	8,409	-	300	

3. Table 2 outlines the council's income from Right To Buy Receipts, CIL and New Homes Bonus monies.

1		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	
	Council Tax (Band D)	£	£	£	£	£	£	
	LBTH	885.52	920.85	966.80	986.14	1,019.67	1,060.35	
	Total	1,180.52	1,196.85	1,246.82	1,280.37	1,340.18	1,392.42	
2		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	Total
	New Homes Bonus	£m	£m	£m	£m	£m	£m	£m
		17.81	22.81	24.19	20.75	19.2	21.98	126.74
3		2015-16	2016-17	2017-18	2018-19	*2019-20	Total	
	RTB Receipts	£m	£m	£m	£m	£m	£m	
		23.76	34.63	21.31	18.03	2.95	100.68	
4		2015-16	2016-17	2017-18	2018-19	*2019-20	Total	
	CIL Receipts	£m	£m	£m	£m	£m	£m	
		6.78	18.34	14.08	7.41	19.32	65.93	

* as at 31/12/19

4. The Whitechapel Vision won silver at the Planning Awards in 2014 and as part of its vision was the vehicle for the Civic Centre. The Civic Centre was estimated to cost £78 million to deliver but under Mayor Biggs in the last 5 years has risen to £120 million pounds in cost.
5. That in 2013 Cabinet agreed the “The Estates Capacity Project commenced in March 2012 with the objective to identify opportunities within existing estates to produce more new homes and identified nine potential sites.”
6. That Core Strategy agreed by Full Council clearly concentrates Housing Development in the following areas City Fringe, Lower Valley, Isle of Dogs and South Poplar and appears to neglect areas like Whitechapel, Shadwell, Stepney Green, St Dunstan’s, Weavers, Spitalfields, Bethnal Green and St Peters.
7. At the Full Council Budget Meeting of February 2019, the Mayor stated he would not be closing the Community Language Service in his addresses to petitioners who attended the meeting.
8. The Mayor reiterated this sentiment in his response to a question from Cllr Rabina Khan at a Full Council Meeting in July 2019.

This Council welcomes:

1. The vibrant debate around the future of the future structure of the Community Language Service, led by ordinary parents and service users and campaigners.
2. The recognition by all participants in the debate that the Community Language Service is a vital anti-poverty measure, by providing enrichment to children for decades in Tower Hamlets, a borough with one of the highest child poverty rates in the United Kingdom.
3. This Council welcomes the proposals put forward and the willingness of service users of the Community Language Service to work with the Council to come up with alternative plans to make the Community Language sustainable.
4. That the first Community Land Trust in London was agreed and built in Tower Hamlets. St Clement’s, a Grade II listed gothic building.

This Council believes:

1. That there should be a year delay in any restructuring the Community Language Service, allowing for an establishment of demand for the service and facts about the service users. Also, to allow for proposals to be tabled by service users and other interested parties for a sustainable Community Language Service.
2. That Council assets should be maximised for housing and community land trusts through a Tower Hamlets Housing Cooperation.
3. In 2016/17, the council ‘s asset register included the following: 730 assets with a total value of £2bn, approximately £1bn relating to Council Housing Stock and £660m for schools, with the balance of £440m for other assets.

4. That an increase of additional planning officers is vital to safeguard CIL monies. The council had failed to respond to the statutory time frame related to the West Ferry Print Works, which was then later agreed by the SoS and the borough lost almost £50 million of CIL.

This Council further believes:

1. To allow for one-year delay to consider proposals; a £30,000 increase to fund an independent study to ascertain the educational and social benefits of multilingualism.
2. The Medium-Term Financial Strategy (MTFS) removed from the Budget, allowing the service to maintain its current size and structure so facts could be established, which will provide the basis for any proposals for a sustainable Community Language Service (CLS) and the independent study.
3. The Council develops Tower Hamlets Housing Cooperation, which will be committed to building and developing council-owned homes on council-owned land. The first programme of assets that can be developed to build council homes are as follows:
 - Southern Grove
 - Albert Jacob House
 - Commercial Road Car Pound
 - Jack Dash House

The above council-owned assets are no longer needed for funding of the Civic Centre development. The use of RTB receipts with additional borrowing can deliver up to up to 1,000 homes across the 4 sites.

Tower Hamlets Housing Corporation can also include the delivery of CLTs for both council-owned homes and affordable private homes.

This Council amends the Mayor's budget as follows:

1. £30,000 increase for the Community Language Service Budget 2020/2021.
2. £30,000 from New Homes Bonus to fund the increase for the Community Language Service in 2020/2021.
3. Remove the Medium-Term Financial Strategy (MTFS) with regards to the Community Language Service from the Annex of the Budget.
4. Maximising Council's £2 billion Assets – Invest £50k towards Joint Working Strategy to increase the use of council asset to generate income.