

Conservative Budget Amendment 2nd March 2022

Proposed: Cllr Peter Golds

Seconded: Cllr Andrew Wood

Summary

Given the uncertainty over inflation even before the crisis in Ukraine it is no longer acceptable to increase Council Tax by 1% and to further increase Fees and Charges paid by residents and small businesses by 5.4%, both need to be cancelled in order to help residents cope with the inflation increases already underway and which are likely to worsen.

Given that Tower Hamlets is estimated to lose £10.8 million in reserves this year because inflation exceeds interest income the argument that we need to be increasing our reserves is not sustainable.

Council tax – we have proposed stopping the 1% increase for all taxpayers but if the Mayor wishes to suggest a more targeted alternative perhaps based on the lower Council tax bands, we will accept this.

Fees and charges – see table below – charges for street traders should not increase by 11.5% and fees for residents at Ideas stores by 8.7%. We propose to cancel all increases for fee and charges paid for directly by residents and street traders. But increases for businesses i.e. planning fees, increase as the Mayor proposes.

Mental health support needs to be increased post-COVID and this can be funded by stopping the smoking cessation service. There are many ways to find out how to stop smoking.

Local Plan – the Council proposes to start a new Local Plan 2 years after approving the last one but there is no evidence that the Local Plan is value for money nor that it materially changes planning outcomes.

Pink bags – with Tower Hamlets in 2020/21 having the worst recycling rates in London and 2nd worst in England we need to explore whether the difficulty in getting pink bags is the issue.

Youth centres – some youth centres are now only physically open for 3 days a week (3 hours a day for a total of 9 hours) this is inadequate. Because as a result they are less able to have any real impact.

Our East End – has become the Tower Hamlets equivalent of Pravda and without fundamental change should be closed as it is not a reliable source of news.

Building safety crisis support hub – given the decision by the Mayor of London not to fund this and as we are the worst affected Borough to create a support hub for residents.

Fees and charges % proposed increases by the Mayor

Service		Description of fee and charge	Average % fee increase in 2022-23
1.1 Meals Service for Social Service Clients (Contract Services)	Meals Service for Social Service Clients (Contract Services)	Contribution towards the cost of meal taken in day centres	3.70%
2.1 School Meals (Contract Services)	School Meals (Contract Services)	School Meals	3.90%
2.2 Arts and Music	Arts and Music	THAMES Music Centre	5.30%
2.3 Parental Engagement & Support	Parental Engagement & Support	Holiday childcare	3.50%
2.6 Arts, Parks & Events	Arts, Parks & Events	Hire charges	3.30%
2.7 Sports & Physical Activity	Sports & Physical Activity	All Charges	4.00%
3.1 Parking	Parking	Permits	5.00%
3.1 Parking	Parking	Casual parking	5.30%
3.2 Operational services	Operational services	Wormeries / compost bin	4.70%
3.4 Street Trading	Street Trading	All Charges	11.50%
3.5 Environmental Health and Trading Standards	Environmental Health and Trading Standards	Pest control	3.30%
3.7 Venue Hire	Facilities Management	Hire of venue	4.90%
4.1 Registration of Births, Deaths & Marriages	Registration of Births, Deaths & Marriages	Ceremonies	3.50%
4.3 Idea Stores and Idea Store Learning	Idea Store Learning/Local History & Archive	Idea Store Learning	8.70%
		Total	5.4%

This Council amends the Mayor's budget as follows:

Make the following increase in spending or reductions in income:

Description	2022/23 Impact
Stop the 1% Council tax increase funded by NHB	£1,200,000
Fees and charges no increase in charges to residents and small businesses (but adopt increase for larger businesses)	£1,135,162
Provide pink bags to a select area to see the impact on recycling	£50,000
Building safety crisis support hub	£188,000
Youth centre expansion of hours reversing cuts	£250,000
Mental health support	£1,074,000
Total additional costs general fund	£3,897,162

Funded by the following savings:

Details of the implementation of the following proposals are available elsewhere and some of these savings will only be able to take effect from the 2nd half of the year except for the Local Plan funding £420k which is the removal of a growth bid in full.

Description	Budget Reduction	2022/23 Impact
New Homes Bonus reserve to pay for Council tax		£1,200,000
Smoking cessation from public health to fund mental health		£1,074,000
Local Plan funding GRO / PLA 002 / 22-23 to be stopped	100%	£420,000
Security reduction as assets are sold	66%	£405,240
Our East End stop distribution as an unreliable source of news	100%	£40,500
External Communications 21160	20%	£180,280
Place Shaping 55240	20%	£89,660
Plan Making 70102	50%	£259,250
Trade Unions 21466	30%	£99,750
Executive Mayor 21179	20%	£128,628
Total additional savings general fund		£3,897,308