

Help to shape our future budget

In 2025-26 the council is set to spend **£1.4 billion** on public services to support people and improve lives. Almost half of our budget is spent on supporting children and vulnerable adults.

The council has worked hard to make over **£250m** in savings since 2010, in the face of central government budget cuts and additional demand. The council has agreed to make further savings of **£42m** over the next three years.

Despite the financial challenges, increases in the number of vulnerable residents, and a growing population, we are proud to continue our investment in frontline services, and to have the sixth lowest council tax in London.

The council has made several tough choices to minimise the impact of disruption on those services residents have told us that they rely on the most.

This is your chance to give us your views as we work to set our budget for next year.



Introduction

We are proud to be providing unprecedented support to our residents with cost-of-living pressures and investment in the services we all rely on.

We have delivered this record investment in our community within our balanced, financially responsible budget, while keeping our council tax rate the sixth lowest in London, which we have frozen for households earning less than £50,350, while those on the lowest incomes pay no council tax at all.

After having become the first council in the country to offer universal free school meals for all pupils in the borough, we've made history again as the first council to introduce universal school uniform grants for families earning up to £50,350 — helping 21,000 primary and secondary school starters.

Our commitment to ensuring all young people can thrive in education includes becoming the first council in the country to restore the Education Maintenance Allowance after this was scrapped by central government, along with our university bursaries. A new £1m fund will also support young people with Special Educational Needs and Disabilities with their transition into adulthood.

We have just launched a new £3m Meals on Wheels service to deliver nutritious meals directly to older and vulnerable residents, as well as becoming only the

second council in the country to provide free homecare, ensuring elderly and vulnerable residents live with dignity and independence.

Our Cost of Living Help campaign includes £3m to support residents with their energy bills, as well as bringing back our Warm Hubs, offering food, warmth, and company to all who need it.

We launched the Mayor's Anti-Crime Task Force and new Drugs Squad with £8m further investment in community safety, including £3.8m to expand CCTV coverage across the borough. We've funded a record 64 Tower Hamlets Enforcement Officers, as well as Council-funded police officers, working in partnership to tackle crime and anti-social behaviour.

Our additional £5m a year investment in waste and recycling is making our borough cleaner and greener, and we've installed the first 2,000 residential electric vehicle charging points to reduce emissions and improve air quality.

By bringing leisure centres back into public hands, we've been able to make them more affordable and invest £8m to upgrade facilities, as well as tackling health inequalities by introducing free swimming for all women and girls over 16 and men over 55, which 25,500 residents have already taken up.

These are just some of the ways we're investing to meet the needs of residents. I hope you will read this booklet and take part in the survey to help shape our next council budget.



Lutfur Rahman
Executive Mayor of
Tower Hamlets

Current spending

This current 2025-26 financial year the council is spending £484.9 million net expenditure on a range of public services to support residents and the wider community.

A major part of our net budget is being spent on vital adult social care services (£148 million) and important educational and support services for our children (£99 million). The council continues to support residents of all ages with additional and often complex needs, which increases demand on our services and budgets.

The council increased its portion of council tax this year by 2.99%. This represents a £36.00 increase in Band D Council Tax and generates £6.7m towards the cost of running the council's frontline services.

There was an adult social care precept of 2%. This precept represents a £24.08 increase in Band D Council Tax and generates £3.3m towards funding adult social care.

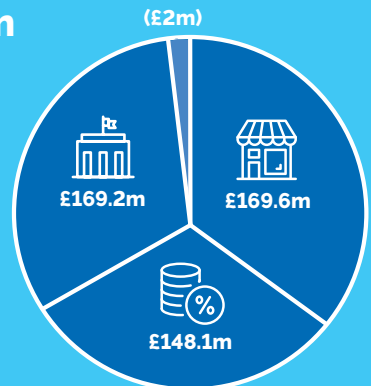
However, the continuing demand for these vital frontline services mean that even with the added income, they do not fully cover the costs of the increasing demand.

The council remains committed to investing in good quality public services for all our residents, whilst ensuring we maintain robust and responsible spending practices.

Where the money comes from

A breakdown of our **£484.9million** core funding.

Council tax **£148.1m**
Retained business rates **£169.6m**
Government funding **£169.2m**
Surplus transferred to Reserves **(£2m)**



This relates to the council's net budget. Our actual gross expenditure of £1.4 billion is higher because it also includes expenditure funded by the Housing Revenue Account, Dedicated Schools Grant and income generation.

Achievements

As a council we are proud to provide and invest in a huge range of services that enhance and improve the lives of people across Tower Hamlets. This is just a snapshot of some of these achievements:

Our expanded Young Tower Hamlets service provides more than **100 free regular activities**, alongside targeted support and training for young people



More than **900** Idea Store adult and community learning courses on offer



Our parks have **14** Green Flag and **8** London in Bloom gold awards with Victoria Park again in the country's **Top 10**



An exciting programme of arts and cultural events including for **Black History Month, A Season of Bangla Drama, All Points East in the Neighbourhood, Writeidea Festival** and **Altab Ali Day**



73.4 per cent of pupils received A* to C grades in their A-levels, a 4.2 per cent increase on last year



22,500 celebrated the borough's rich culture and history with a weekend of **Town Hall events** and the return of the **Brick Lane Curry Festival**



Around 2 million more nutritious meals now served through our ground-breaking universal free school meals investment – saving on average **£550** per year, per child



90% of our residents say that people from different backgrounds get on well with each other – above the **77%** national average



More than **50,000 residents** and visitors enjoyed **800 free Summer of Fun** activities



More than **25,500 residents** have signed up for **free swimming sessions** for women and girls over 16, and men over 55



Unless otherwise mentioned, these details relate to a 12 month period.

Cost of Living and support for residents

The cost of living pressures continue to hit our residents hard and remains an increasing worry for local families and households. That's why in addition to the specific investments mentioned in this booklet, our ongoing Cost of Living Help campaign brings together a range of information, advice and details of financial support available.

You can see the campaign information at www.towerhamlets.gov.uk/costofliving which features lots of support including the household support fund, help with housing costs and homelessness, help with staying warm, help with food, childcare and school costs, employment as well as mental and physical well-being. Remember that you can always access the internet at our Idea Stores and libraries, where staff will be happy to help you get online.

Have a look at the benefit checker online to see if you or someone you know could be getting extra income to help with your household costs. We know that many benefits remain seriously underclaimed. As an example, more than £700,000 in Pension Credit has been claimed since the council launched its 'Credit Where Credit is Due' campaign last winter.

We also work closely with our partners in the local voluntary and community sector (VCS) to direct residents to support available, and the council is also

funding the VCS sector to continue the work they do supporting families and our communities across the borough. Following the opening of our main Whitechapel Town Hall Residents' Hub, we have established a number of additional locations across the borough, including the latest at Calvert Avenue by the Boundary Estate.

The aim of the hubs is to work with residents who find it difficult to access the support they need through other channels such as online or telephone. They offer a wide range of services and advice including council tax, debt management, benefits, digital support, domestic abuse and employment. Find out more at www.towerhamlets.gov.uk/residentshub about each of our hubs, including where they are located and their opening hours.

This winter will see the return of our community warm hubs, offering a hot drink and welcoming space to meet others, as well as new supplies of our warm packs, including socks, gloves, hats, and blankets to keep people protected from the winter weather.



Where the money goes

Key frontline service areas of investment include:

£148m

Services for elderly and vulnerable adults



£99m

Children's services and education



£36.3m

Public health



£9.2m

Housing services



£8m

Community safety



£9.8m

Cultural and related services



£9.6m

Planning, sustainability & economic development services



£45.9m

Environmental, regulatory, highways & transport services



Our population and the challenges ahead

Results from the most recent census provide the council with important information about Tower Hamlets, including how our residents live now, and how the borough has changed over the last 10 years. This information allows us to adapt and shape our services to better reflect the current and future needs of our residents.

Our population is the fastest growing in the country, it is very diverse, and we have the youngest median age of any area in England and Wales.

However, we are also a borough that still has noticeable inequalities affecting residents' health and wellbeing, access to good quality affordable housing, and opportunities to gain good jobs and skills. We have very high levels of poverty affecting our children and older residents, and with many of these residents also needing additional support, this impacts on demand for our services and council budgets.

The council will continue to prioritise support for our most vulnerable households and to make the most of the money that we spend on behalf of our residents.

Read more about the census results and other important borough statistics at www.towerhamlets.gov.uk/boroughprofile

Increasing pressures on limited resources - 2021 census snapshot

331,886 (mid 2024)

we have the fastest growing population in England (22 per cent rise between 2011 and 2021)



High proportions of children and older people are living in poverty, with significant need for support services



16,787 (mid 2024)
residents per sq. km

Tower Hamlets at 19.8 sq. km in size, is the most densely populated area in England



72.8% employed (Jul 24-Jun 25)

Unemployment is 5.9%, higher than the national average of 4.1% and women in particular are less likely to be employed



We have high levels of overcrowding – 15.8% of households had at least one fewer bedrooms than needed compared to England (4.3%)



