

Extract from Minutes - Council Meeting 24th November 2008**FIRST READING DEBATE ON 2009/10 TO 2012/13 BUDGET****12. 1st Reading Debate – 2009/10 to 2012/13 Budget**

Councillor Blackman introduced the reports of the Executive and Director of Finance and Corporate Resources. The report of the Executive set out the Administration's priorities for action and spending, and reflected on the achievements over the past year. The report from the Director of Finance and Corporate Resources presented the best information available to the Council at the present time on the Budget position. The report pointed out that there was considerably more certainty about external funding than at the equivalent time the previous year when the council was still waiting to find out the implications of the Comprehensive Spending Review for Formula Grant, Area Based Grant and other specific grants. For this year, the council knew how much Formula Grant would increase by - 1.75% next year and 1.5% the year after. At the same stage last year, the council was also uncertain about the position with the Primary Care Trust. That issue had now been largely resolved. Officers had also believed that there was a high degree of certainty about funding that would be available as part of Area Based Grant and specific grants until a recent government consultation on a proposed reduction in Brent's allocation of the Working Neighbourhoods Fund in 2009/10 and 2010/11. In addition, the significant changes which had happened to the economy over the past 12 months – and the uncertainty about the future of the economy – meant that underlying assumptions about pay and price increases, interest rates, service pressures and other items within the council's medium term financial strategy would have to be kept under close review.

Councillor Blackman referred to the Chancellor's statement earlier that day and remarked that there was no extra money for local authorities to be able to tackle the local issues caused by the economic downturn and that the Government was gambling with the country's future. He highlighted the threat to the Council if the proposed changes to the allocation of the Working Neighbourhoods Fund were to be implemented. Over the three year period the previously agreed allocation of £8.3M would be reduced to £4.3M meaning some schemes would have to cease or funding switched from other schemes. There would be big challenges ahead for the Council in light of the Government's allowance for budgets to increase by less than current inflation. Councillor Blackman commented on the increase in the availability of specific grants that allowed the Government to centrally control what Councils spent such money on. He pointed out that the savings so far identified fell short of the 3% efficiency target by £1.9M and that a significantly greater level of savings were required to be in a position of limiting a Council Tax rise to 5%. His personal preference was for a zero rise in Council Tax but he expected that budget pressures would lead to a middle position. Councillor Blackman welcomed the news that the Mayor of London was to freeze the GLA's

element of the Council Tax. He summarised that the Council had to find between £4.5M and £9.4M savings in order to produce a balanced budget set against priority areas for growth that had been identified. Every proposal would be considered and examined.

Councillor John responded by stating that there was a long tradition of governments centralising spending decisions and so this situation was nothing new. Out of a budget of close to £1 billion she felt it should be possible to find 3% savings each year. She recollected that the previous year the Administration had blamed inflation and the small increase in the GLA precept for not being able to keep down the Council Tax and now it was blaming the reduction in the Working Neighbourhood Fund. She pointed out that this fund was outside the main spend programmes and asked what had been done to get the proposal to reduce the fund reversed. She referred to the successful actions taken by her Administration when it was faced with losing significant levels of funding and urged the current Administration to lobby effectively for the Council's cause. Councillor John stated that the failure of the Administration to keep to its pre-election promise on keeping down the Council Tax was not the only area where it had failed to deliver and referred to a number of issues including plans for free parking permits, Dollis Hill House, Barham Park estate, the delay on the Wembley City Academy, no new proposals for Queens Park or South Kilburn as further examples. Councillor John concluded that a lack of vision by the Council leadership was causing the people of Brent to suffer.

Councillor Lorber opened his address by thanking officers for the work put into producing the report now before members. He referred to the Prime Minister's admission that the country was in recession and acknowledged that local people would suffer as a result. He expressed his view that the current economic position had not been helped by the past actions of the Prime Minister in trying to buy the country's way out of the situation. The Council would be faced with protecting services for the most vulnerable and achieving efficiencies would be the answer to many of the spending issues facing the Council. The priority for the Council was to deliver on its 4 core themes and its achievements could already be seen. Despite the Government betraying the people of South Kilburn, Councillor Lorber stated that the Council was still committed to developing a scheme of mixed tenure housing in the area. He also referred to falling crime rates, continued support for the Not Another Drop campaign, a programme of regeneration including proposals along the North Circular Road, completion of up to 500 new homes, the opening of Wembley Works, the success of Brent in2work, a voice for young people, improved performance in schools, a programme of environmental improvements leading to cleaner streets and reduced dumping, the introduction of compulsory recycling and the planting of over 2000 new trees. Councillor Lorber stated that he was proud of the Council's achievements so far and more was to come such as further investment in CCTV, additional funding for Police Community Support Officers, additional resources to support young people and vulnerable people, a programme of rebuilding schools, investing in Sure

Start in Children Centres, plans for a new civic centre as part of a major programme of transformation for the Council, a green travel plan for staff and making everybody responsible for their actions in improving the environment. Councillor Lorber ended by saying he would continue to make Brent a borough of opportunity whilst still keeping Council Tax increases to below the level of inflation.

Councillor Arnold requested that the Council build confidence in the education system by co-operating with schools on the schools strategy, including exploring the provision of more academies. Other aspects of children's services she wanted resources put into included more staff in the youth offending service and investment in integrated services. She also asked for Kilburn Job Centre plus to be rerieved and for funding to be restored to the South Kilburn partnership to support the work of developing the Kilburn High Road.

Councillor Joseph supported the proposals for resourcing the protection of vulnerable people, especially the young, additional Police Community Support Officers, additional CCTV and asked that the area around Kensal Green station be covered by CCTV. She also asked that resources be put into repairing pavements.

Councillor Motley referred to the changing nature of the Chamberlayne Road area and hoped that the Council's regeneration policy would not lose sight of the need to offer assistance to smaller areas in the borough to help them regenerate.

Councillor Long expressed concern that Council staff positions were being kept vacant in order to save money and hoped this would not continue. She requested that efforts be made to ensure every area of the borough benefited from the support of a Street Care officer. She also mentioned the need for additional IT support for homeworkers given the problems councillors experienced.

Councillor HB Patel spoke in support of the priorities pursued by the Administration but made a request for increased spending on maintaining roads and pavements with special mention of some of those in his ward. He added a plea that the Council Tax rise should not be too high.

Councillor R Moher referred to the reduction in the provision for inescapable growth from the figure of £9.2M previously allowed for to a proposed level of £2.6M, despite the acknowledgement that the economic climate would lead to increased pressure on services and some existing budgets were projecting overspends. Added to this was the pressure on children's social services which could undermine the transformation programme underway and so she asked that this figure be reconsidered.

Councillor Detre spoke in support of the Administration's record stating that good progress was being made in South Kilburn, extra Police Community Support Officers were being taken on and the Council's interest in maximising the potential of the Olympics was being pursued. He was also glad to hear that the whole Council was behind efforts being made to avoid any reduction in the level of Working Neighbourhoods funding.

Councillor Powney referred to the level of balances being lower than recommended by officers and asked what the position of the Lead Member for Corporate Resources was on this. He also asked what level of inflation was being used to measure the rise in Council Tax.

Councillor Mistry made reference to the theme of making the borough a lively place to live in and the Council's sports facilities review in stressing the importance of healthy living. In support of this Councillor Mistry asked that the borough's green spaces have some sports facilities put into them.

Councillor Wharton responded to the request that children's services be protected by giving assurances that this would be the case and referring to the investment going into the service.

Councillor Thomas commented that he could not see any evidence from the report before members that the Council was ready to deal with the impact of the crisis affecting the country. There was the admission that the level of savings had not so far been achieved and this questioned whether services could be maintained. He felt that rubbish on the streets was getting worse by reference to his ward and this led to the increased threat of rats. Councillor Thomas asked that the £25 charge for clearing bulky rubbish be removed.

Councillor Van Kalwala stated that the Council's investment strategy needed to be reviewed in light of recent world events. This would include looking at the types of investments made, covering risks and ensuring ethical investment decisions were taken. He felt members knew little of the Council's investments.

RESOLVED:-

that the reports from the Executive and the Director of Finance and Corporate Resources on the 1st Reading of the 2009/10 Budget be noted and that the views submitted by Members during the course of the 1st Reading Debate be referred to the Budget Panel for consideration.