



Budget and Finance Overview and Scrutiny Committee

Tuesday 4 February 2014 at 7.00 pm

Boardroom - Brent Civic Centre, Engineers Way,
Wembley, HA9 0FJ

Membership:

Members

Councillors:

Hopkins (Chair)
Harrison (Vice-Chair)
Brown
S Choudhary
HB Patel
RS Patel
Ketan Sheth
Van Kalwala

first alternates

Councillors:

Ashraf
Hector
Green
Chohan
BM Patel
Long
Jones
Allie

second alternates

Councillors:

Sneddon
Naheerathan
Lorber
Moloney
HM Patel
Oladapo
Gladbaum
Daly

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020 8937 1358, lisa.weaver@brent.gov.uk

For electronic copies of minutes, reports and agendas, and to be alerted when the minutes of this meeting have been published visit:

democracy.brent.gov.uk

The press and public are welcome to attend this meeting

Agenda

Introductions, if appropriate.

Apologies for absence and clarification of alternate members

Item	Page
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1	Declarations of personal and prejudicial interests	
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Members are invited to declare at this stage of the meeting, any relevant financial or other interest in the items on this agenda.

2	Deputations (if any)	
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3	Minutes of the previous meeting	1 - 4
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4	Matters arising	
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5	The draft budget 2014/15	
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The Budget and Finance Overview and Scrutiny Committee will discuss and make recommendations on the draft 2014/15 budget. Councillor Ruth Moher, Lead Member for Corporate Resources and Deputy Leader of the Council, will present the draft budget and answer questions from members. While the committee will lead the discussion, this meeting is intended to give all non-Executive members the opportunity to participate in the budget scrutiny process and raise any questions or comments they may have on the draft budget.

6	Any other urgent business	
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Notice of items to be raised under this heading must be given in writing to the Democratic Services Manager or his representative before the meeting in accordance with Standing Order 64.

7	Date of Next Meeting	
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The next scheduled meeting of the Committee will be confirmed at the Annual Full Council meeting in June 2014.



- Please remember to **SWITCH OFF** your mobile phone during the meeting.
- The meeting room is accessible by lift and seats will be provided for members of the public.

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MINUTES OF THE BUDGET AND FINANCE OVERVIEW AND SCRUTINY COMMITTEE Thursday 16 January 2014 at 7.00 pm

PRESENT: Councillor Hopkins (Chair), Councillor Kataria (Vice-Chair) and Councillors HB Patel, RS Patel and Van Kalwala

Also present: Councillor R Moher

Apologies for absence were received from: Councillors Choudhary and Sheth

1. Declarations of personal and prejudicial interests

None declared.

2. Deputations (if any)

None.

3. Minutes of the previous meeting

RESOLVED:-

that the minutes of the previous meeting held on 2 December 2013 be approved as an accurate record of the meeting.

4. Matters arising

None.

5. Results of the budget consultation

Cathy Tyson (Operational Director Corporate Policy) gave a presentation detailing the recent budget consultation exercise that had taken place and the findings. She informed the Committee that the consultation was carried out in two phases, an online budget simulator and a series of detailed focus groups.

The online simulator gave participants a target of reducing the budget by £20m, informing participants of the consequences of reducing each service area. 304 participants had completed the simulator at the end of December and it was hoped further participants would undertake the simulator in the forthcoming months. Cathy Tyson highlighted that many participants found the simulator challenging and failed to reach the savings target, with the greatest increase in spending being crime prevention as cited by 44% of participants. In response to queries it was explained that most participants were at the ends of the age spectrum with few middle aged participants. The simulator highlighted spending in the public realm as

a medium priority with efficiencies being created and a reduction in back office services such as HR and payroll. The findings showed a priority to protect vulnerable persons and physical regeneration with open feedback highlighting how challenging they found the process and a greater awareness of the council's funding after completing the simulator. The Operational Director Corporate Policy explained that many participants found it difficult to comprehend the budget in terms of millions and felt that a set of terminology needed to be established to make the budget setting process accessible to the public.

Cathy Tyson informed the Committee that an external contractor constituted eight focus groups, each comprising 30 residents representative of age, gender and ethnicity across the borough with specific focus groups held for young persons and the voluntary sector. The focus groups received a presentation informing them of how the council received its income and were then split into groups of 10 and asked to separate service areas into high, medium and low priorities, with a card on each service area detailing what the service did. Findings suggested that initially participants had limited knowledge on the budget setting process and there was a general misunderstanding surrounding the raising of fees and charges and money from parking being used to pay for other services. Findings also suggested that participants were unaware how vulnerable the council was to changes in grants and felt that most income was raised locally. There was a clear message to protect the genuinely vulnerable as well as spending on crime and the physical regeneration of the borough. It was noted that younger persons had a harsher view of the welfare systems with the view of it being with conditions. Members reflected that this may be due to them being less likely to have had to access the system in times of need and was in line with national research undertaken by MORI. The focus groups identified housing, accessing public health, help into employment, back office functions and arts services as a low priority with an emphasis on people doing things for themselves and accessing services provided at a national level. The Operational Director of Corporate Finance drew members attention to the rationale identified by the focus groups including creating further efficiencies, investing in children as the future, people doing more for themselves, local communities doing more, shared services and a recognition that although housing costs were a large issue, it was not something that the Council could fix. The findings suggested that residents would prefer reductions in service rather than an increase in council tax and only an increase in services that were optional such as green waste collection. Overall feedback stated 98% enjoyed the sessions and felt they had a fair chance to have their say.

During discussion it was identified that they hoped further participants would undertake the online budget simulator although participation rates were high in comparison to other London boroughs. In response to queries it was confirmed that the participation number did not make a statistically solid sample although the consistency in the findings suggested that they were reliable and provided a good overall view of what Brent resident's felt was a priority. Cathy Tyson highlighted that it was important to understand what influenced people's views and noted national media reporting trends. Members queried what would be done as a result of the consultation and it was explained that it would be fed into the budget making process with a formal report produced. The Operational Director Corporate Policy informed members that the survey informed the Council of the public's views and perceptions and although this could be collected by Councillor's when engaging with constituents, this information could not easily be statistically represented.

RESOLVED:

Members noted the presentation.

6. **Budget update**

Mick Bowden (Operational Finance Director) informed Members that the final settlement had been announced and was broadly in line with expectations. He continued to explain that the council tax freeze grant for 2014/15 had been built into the baseline budget and that this was also expected to occur in 2015/16. The Operational Director Finance informed the Committee that top slicing of the new homes bonus would now only occur in London to fund local enterprise partnerships with approximately a third of the new homes bonus being top sliced and transferred to the Mayor of London to fund development projects across the capital. Members expressed concern that there was no indication how the money would be spent by the Mayor of London and the accountability to residents. Mick Bowden highlighted that the council tax referendum trigger had not been confirmed although it could potentially be as low as 0%. It was noted that the Government had announced that councils would be refunded for the measures announced in the Autumn Statement such as the extension of small business rate relief and limitation on inflationary increases. During discussion it was noted that there was little change in public health funding although changes to health and social care funding was expected in 2015/16. The Operational Director of Finance confirmed that there were various issues to finalise including levies, actuarial valuation of pension fund and the council tax base. In response to queries it was explained that increase in demand and increasing pressures on adult social care had been anticipated within the budget with confirmation of funding streams relieving pressures within revenues and benefits. In response to queries regarding section 106 monies, these had been included within the capital programme and could not be used to fund revenue gaps.

RESOLVED:

Members noted the update.

7. **Discussion on the first interim report**

The Chair introduced the first interim report and asked members to identify any recommendations that needed further development and any additional recommendations that they wished to be included. During discussions members noted recommendation 18 should not prohibit Council policy or competitive charging and should be amended accordingly. Members felt that recommendation three should be brought to the attention of the Planning Committee and it was agreed that the Senior Policy Officer would send a copy of the report to the Chair of Planning. During discussion clarification was sought on the charges and collection rate for replacing roofs in relation to recommendation 17 and ensuring all income was collected. Members queried whether direct debits for licensing payments had been developed further. The Operational Finance Director informed the Committee that the Council's financial system was currently undergoing an upgrade which would enable direct debit payments in the future. Members felt that recommendation 15 needed further development and cited anecdotal evidence that

Indian weddings were no longer being conducted by the Council due to the change in charges.

RESOLVED:

That the report be amended to reflect discussion.

8. **Work programme 2013/14**

RESOLVED:

Members noted the work programme.

9. **Any other urgent business**

None.

10. **Date of Next Meeting**

The next meeting of the Budget and Finance Overview and Scrutiny Committee was scheduled for 4 February 2014.

The meeting closed at 8.20 pm

A HOPKINS
Chair