



Cabinet
11 December 2017

Report from the Chief Finance Officer

Budget Strategy and Financing update

Wards Affected:	All
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt:	Open
No. of Appendices:	1
Background Papers:	N/A
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1.0 Purpose of the Report

- 1.1 The purpose of this report is to set out the Council's budget proposals for 2018/19. It therefore includes other key activities in relation to setting the 2018/19 budget, including dealing with any surplus on the Council's collection fund and the updating the position on the proposed London business rates pilot pool. It also provides a general update on the overall financial position, including an assessment of the Chancellor of the Exchequer's Autumn Budget of 22 November 2017.
- 1.2 Subject to the results of consultation and scrutiny, it is envisaged that the budget proposals set out in this report would then form the basis of the budget to be agreed at the Full Council meeting of February 2018. For the avoidance of doubt, all of the proposals included in this report were set out for Council in February 2017, together with the results of the consultation carried out leading up to that.
- 1.3 Brent, like most well-run local authorities, seeks to avoid making substantial new proposals in the last budget of any Administration, as it will be for whatever councillors are elected in May 2018 to determine longer-term financial policy. Therefore, no new budget proposals are recommended by way of this report and the position for 2018/19 is still broadly in line with that estimated in February 2017 and updated since.

- 1.4 Agreeing the proposals in this report, all of which were consulted on and agreed in February 2017 will enable the council to set a balanced budget in 2018/19, in accordance with the statutory obligations. At this stage, however, Cabinet is merely being asked to note the position so that further consultation can be concluded, prior to a formal budget being recommended to the 26 February 2018 Council meeting. Aside from the usual updating of and adjustments to various technical assumptions the key features of this budget would be:
- A council tax increase of 3.99%, making a Band D council tax of £1,190.85 (for the Brent element) plus an assumed GLA precept (subject to their own decision making) of £280.02; hence an aggregate Band D council tax of about £1,470.87; and
 - New budget savings proposals (all of which were considered by Council in February 2017) with an aggregate value of £12.9m, as summarised in Appendix A.
- 1.5 The report also asks Cabinet to take decisions necessary to enable the council to participate in the London Business Rates Pool should this be in the council's interests.

2.0 Recommendation(s)

- 2.1 That Cabinet notes the overall financial position.
- 2.2 That Cabinet endorses the budget proposals for 2018/19 that were previously agreed at the Council meeting of 27 February 2017, as set out in Appendix A.
- 2.3 That Cabinet endorses the technical assumptions underpinning the budget as set out throughout the report.
- 2.4 That Cabinet notes the results of the extensive consultation on the budget proposals and a council tax increase of 3.99% that was carried out between November 2016 and January 2017 with local residents, businesses and other stakeholders.
- 2.5 That Cabinet endorses the approach to consultation between December 2017 and January 2018, as set out in section 4 of this report.
- 2.6 That Cabinet agrees the estimated Collection Fund balance relating to Council Tax for 2018/19 as a surplus of £1.856m (Brent's share being £1.503m) and note the current estimated balance relating to NNDR for 2018/19 as zero (no surplus or deficit).
- 2.7 That Cabinet:
- i. Agree, in principle, to participate in the London Business Rates Pilot Pool for one year with effect from 1 April 2018;
 - ii. Delegate to the Chief Finance Officer the decision whether to agree the Designation Order to be issued by the Secretary of State designating the Council as an authority within the London Business Rates Pilot Pool pursuant to 34(7)(1) of Schedule 7B Local Government Finance Act 1988;

- iii. Authorise the Chief Finance Officer to enter into such Memorandum of Understanding with the participating authorities as may be necessary to implement and/or regulate the pool;
- iv. Delegate the authority's administrative functions as a billing authority pursuant to the Non-Domestic Rating (Rates Retention) Regulations 2013 to the City of London Corporation ("COLC") acting as the Lead Authority, subject to agreement of the Designation Order by the Chief Finance Officer;
- v. Agree that the Leader of the Council will represent the authority in relation to consultations regarding the London Business Rates Pilot Pool as may be undertaken by the Lead Authority pursuant to the Memorandum of Understanding and that he will respond to the consultations;
- vi. Note that the Lead Authority may sub-contract certain ancillary administrative functions within the Pool to the GLA as it considers expedient;
- vii. Agree to delegate to the Chief Finance Officer, in consultation with the Leader of the Council, authority to agree the operational details of the pooling arrangements with the participating authorities.

3.0 Detail

- 3.1 The Council set its budget and council tax for 2017/18, and its business plans for 2018/19, at the 27 February 2017 meeting. This included the delivery of £19.8m of savings in 2017/18 and plans for £12.9m savings to be delivered in 2018/19.
- 3.2 Since then Cabinet received an update on the financial position on 27 July 2017. At this meeting, Cabinet confirmed their intention that, as previously announced and subject to consultation and any other material changes to circumstances, to increase council tax by 3.99% in 2018/19 and to proceed with the savings referred to in paragraph 3.1 above. On this basis this means that no new savings proposals need to be developed for that year and, if agreed, the budget for 2018/19 would be balanced.
- 3.3 Some details have yet to be resolved, including the formal detail of the Local Government Finance Settlement which has not yet been announced. However, given that the Council previously signed up to a four year settlement up to 2019/20 the risk of significant changes to our funding assumptions is expected to be low. The provisional LG settlement is expected to be announced before Christmas with the final settlement in February 2018.
- 3.4 The Autumn Budget was announced on 22 November 2017. It did not contain definitive statements on figures to be taken into account in Brent's budget, but the following announcements are considered by officers to be particularly significant.
 - London business rates retention pilot – the government has agreed a pilot of 100% business rates retention in London in 2018/19.
 - Business Rates RPI to CPI indexation – will happen in April 2018 (2 years early) costing £770 million in those 2 years. Local government will be fully compensated, but it's not yet clear how.

- Business rates revaluations – will move to 3 yearly revaluations following the next revaluation, currently due in 2022. A consultation on implementation is due in the spring.
- Council Tax – power to raise empty homes premium will be doubled from 50% to 100% from April 2018.
- HRA borrowing cap – will be lifted for areas in highest need, but not until 2019/20 and local authorities will have to bid for it (this will be limited to £1 billion nationally).

At this stage, it is too early to confirm what the exact impact on local government will be and more detail is likely to emerge over time.

- 3.5 This report updates the position on the core estimates that drive the Council's budget position, to enable Members to assess the approach to the business planning and budgeting cycle.
- 3.6 In February 2018 it would be open to Council, subject to all the usual planning uncertainties and caveats, simply to re-confirm the proposals set out a year earlier, which would result in a balanced budget for the 2018/19 financial year. For the avoidance of doubt, achieving this would mean continuing with the previously planned 3.99% increase to council tax for 2018/19.
- 3.7 Brent therefore, by design, has time to work out how it should approach its budgeting for the 2019/20 year and beyond. This will need to take into account the ongoing need to find efficiencies and cost savings in service delivery that any well managed organisation would want to deliver year on year. This report does not set out the detailed process or timetable for this; rather it introduces the considerations that will need to be taken into account in that process, in order to ensure that there is some space to take views into account before starting to identify detailed new proposals. Of course, the benefit of the council being ahead of the curve in its financial planning is that there will be more opportunity to assess the financial opportunities and efficiencies from its creative strategies – such as the outcome based reviews and recently approved digital strategy – before having to consider possibly more problematic decisions about the level of services to be provided.
- 3.8 The 2018/19 budget setting process, following this Cabinet meeting, is proposed as follows:
 - These proposals, together with any changes made by cabinet, will form the basis of consultation between December 2017 and January 2018 with local residents, businesses and other stakeholders;
 - Presentations and question and answer sessions at each of the Brent Connects meetings;
 - The two scrutiny committees will review the budget proposals and report accordingly;
 - After consultation, a budget paper will be presented for Cabinet to recommend a final budget and council tax to the February 2018 Council meeting.

4.0 Budget process and consultation

- 4.1 The council's minimum legal duty in February 2018 will be to set a budget and council tax for 2018/19. As set out in this report, provided the decision on increasing Council Tax is endorsed by members, the service budget for 2018/19 can be set on the basis of savings proposals which have already been consulted on extensively, subject to the results of the local government settlement and any other material changes in the financial position.
- 4.2 For clarity, these are the proposals set out in Appendix A. These were agreed in February 2017, following consultation at each Brent Connects meeting, three pop up events and a well-publicised campaign on the council's website which attracted many responses.
- 4.3 Clearly, in the consultation process set out below, it will be open for respondents to raise issues about these proposals if they so choose. However, on the basis that they have already been consulted on extensively, and agreed to go forward when other budget proposals were explicitly rejected through that process, the reasonable working assumption is that these proposals will proceed unchanged.
- 4.4 Brent Connects is a well-established consultation mechanism for local residents, businesses and other stakeholders. It is therefore intended that the proposals in Appendix A be taken to all five Brent Connects meetings and to publicise the proposals on our website.
- 4.5 The following Brent Connects meetings will be attended.

Brent Connects	2018
Harlesden	25-Jan
Kingsbury and Kenton	08-Feb
Kilburn	30-Jan
Wembley	17-Jan
Willesden	06-Feb

- 4.6 In addition to attending Brent Connects, it is also proposed to consult directly with local business via the Brent Business Board, the High Street business associations, the West London Business and Federation of Small Businesses in Brent.
- 4.7 The Scrutiny Committees reviewed these proposals through their budget scrutiny task group in 2016 and also the process through which they were developed. In October 2017, the scrutiny committees commenced the work of a joint task group to carry out the statutory scrutiny of the budget, chaired by Cllr Kelcher. The task group has had two meetings, where it examined plans for the London business rates pool in 2018/19 and reviewed progress against existing savings commitments. Another meeting is planned for December with a view to writing a short budget scrutiny report for the January 2018 Resources and Public Realm Scrutiny Committee, to be responded to by the Deputy Leader at this meeting.
- 4.8 It is also proposed to present the budget proposals on Brent's website, explaining that there are no changes from proposals previously consulted upon and sign posting the Brent Connects meetings.

5.0 Key Assumptions and Review of Revenue Budget Proposals

- 5.1 The council's recent financial history, the medium term financial outlook and the implications of these were set out in the July Cabinet report. There have been no material changes to the position, and it should therefore be read in conjunction with this report. For ease of reference and of significant relevance to this report, Cabinet agreed a set of budget adjustments for service areas to enable spend to be contained within existing budgets for 2017/18 and confirmed their intention, as previously announced and subject to consultation and any other material changes to circumstances, to increase council tax by 3.99% in 2018/19, on the basis that this means that no new savings proposals need to be developed.

6.0 Technical budget assumptions and expenditure pressures

- 6.1 Expenditure in 2017/18 is forecast to be within budget for the general fund. The main general fund revenue budget for 2018/19 was essentially set at the Council meeting of February 2017, where savings of £12.9m for 2018/19 were agreed. Provided that the key assumptions set out in the table below hold true then expenditure in 2018/19 should also be contained within budget.

Assumption	Value (£m)	Commentary
Council tax will be increased by 3.99%	(4.3)	Assuming that there is no change in the previously agreed political strategy then this is still valid
Council tax base increases by c2.5%	(2.7)	Previously assumed growth of 4% based on historical growth in the overall tax base. This growth appears to be slowing and has therefore been revised down. This will put pressure on the budget if growth continues to decline.
Demographic growth to be allocated in 2018/19	3.0	As the 2017/18 budget is on target these assumptions (which are unchanged year on year) should be fairly sound. (Split of the £3m is roughly £0.4m environmental pressures, £0.4m children's social care, £2.0m adult social care and £0.2m customer and support services).
Inflation	6.0	Made up of c£2m for pay (assumes 2% pay settlement) and c£4m for contract inflation (assuming average awards of around 1.5%)
Other items	2.5	Pensions costs, freedom passes and other technical items – the amounts allowed for in the budget can be regarded as reliable
Procurement savings	(4.5)	Of this £2m comes from the contract end of the street lighting PFI, and will automatically be achieved. The remaining £2.5m is medium risk, as this has been a difficult area to date
Fees and Charges	(1.25)	Specific decisions, in line with previous agreed budget strategy, will be needed to deliver this additional civic enterprise income
Parking income	(3.0)	This is based on the assumption that the increased car ownership arising from the rising population will lead to additional revenues, and that further pricing measures to manage demand may be appropriate
Other service savings	(5.0)	These are in hand and currently considered low or low to medium risk (for example ASC savings from the NAIL programme, temporary accommodation savings from the I4B property acquisition programme and so on)

6.2 Other technical budget assumptions for 2018/19 are set out below:

Income	Value (£m)
Revenue Support Grant	33.7
Business Rates retained	37.8
Business Rates top up	51.0
Council Tax	113.9
Specific Grants	28.4
Total Income	264.8

- 6.3 Business Rates and RSG income were announced at the last local government finance settlement in February 2017 and no major deviations from this are expected as the Council signed up to a four year settlement (to 2019/20).
- 6.4 That said, if the London Business Rates pilot pool proceeds as currently planned, the composition (not quantum) of the grants above would change. For each borough in the pool RSG would be replaced by retaining additional business rates. In addition the Public Health Grant and the Improved Better Care Fund would also be replaced by additional business rates, leading to an adjustment of expected baselines. While the composition of each borough's "core funding" (retained rates plus RSG, Public Health Grant and iBCF) will therefore change, the overall quantum will not. This revised position is then the baseline against which the "no detriment" guarantee is calculated. Each borough – whether its business rate income grows or declines during the operation of the pilot pool – will receive, as a minimum, the same amount of cash it would have received under the existing 50% system.
- 6.5 It is expected that if final agreement with the Government is achieved, the proposals will be reflected in the provisional LG settlement (expected mid to end December 2017) and the final LG settlement (expected February 2018).
- 6.6 A 3.99% increase in council tax is the maximum permitted under the existing legislation, unless a referendum is conducted. The Council conducted an extensive consultation of the budget proposals and a council tax increase of 3.99% in both 2017/18 and 2018/19. Legally, separate decisions on council tax will still formally be required at the budget setting meeting of the Full Council in February 2018. That said, Cabinet has confirmed their intention, as previously announced and subject to consultation and any other material changes to circumstances, to increase council tax by 3.99% in 2018/19, on the basis that this means that no new savings proposals need to be developed.
- 6.7 The table below summarises the income, expenditure and savings assumptions described above and shows that the overall budget for 2018/19 is balanced, unchanged from the budget presented to Cabinet in February 2017:

	2018/19 £m
Income	
Revenue Support Grant	(33.7)
Business Rates retained	(37.8)
Business Rates top up	(51.0)
Council Tax	(113.9)
Specific Grants	(28.4)
Total Income	(264.8)
Expenditure	
Net Budget brought forward from 2017/18 before in year growth and savings	265.5
Demographic Growth	3.0
Other Growth	10.4
Savings presented in February 2017	(12.9)
Technical adjustments	(1.2)
Total Expenditure	264.8
Balance	0.0

7.0 The tax base and the Collection Fund

7.1 General Purposes Committee approved the Council's 2018/19 tax base as 95,677 band D equivalent properties, based on a lifetime/eventual collection rate of 97.63%. Broadly, the increase in the tax base from the previous year (93,319) is due to new properties coming in to rating and a slight reduction in residents eligible for council tax support.

7.2 As part of the Council Tax setting process for 2018/2019 the Council is required to estimate the amount of any surplus or deficit on the Collection Fund as at 31 March 2018 and how it is shared amongst the constituent precepting bodies and Central Government. This must be done by 15 January 2018 in relation to Council Tax, and this report asks Members to approve the estimated balance for both Council Tax and Business Rates (NNDR).

7.3 Council Tax

Income from Council Tax is paid into the 'Collection Fund'. Brent and the Greater London Authority (GLA) make charges (formally known as 'precepts') on this fund to finance their budgets. If the eventual collection of Council Tax is greater than precepts on the collection fund, taking the cumulative position since the introduction of Council Tax in 1993, a surplus will be generated. If the reverse happens, there will be a deficit. Any surplus or deficit is shared between Brent and the GLA. It is normal and proper practice to estimate these surpluses or deficits in setting the budget and to make distributions to the preceptors, or to require contributions from them, according to those estimates.

7.4 The Council's 2016/17 audited accounts reported a surplus of £12.8m (Brent's share £10.2m) on the Council Tax Collection Fund. The latest review of the Fund indicates that a surplus on Council Tax of £1.856m can be declared for

2018/19, where the balance will be shared between the Council (£1.503m) and the Greater London Authority (£0.353m) in proportion to their 2017/18 Band D council tax charges. This technical surplus relates to council tax due on or before 31 March 2018, where the council has been more effective than previously assumed in collecting arrears, and also reflects collection performance of debts relating to 2017/18, and an increase in the net collectable figure during 2017/18.

7.5 Business Rates

Since 2013/2014 local authorities retain a proportion of the income raised. For London, the local authority keeps 30% of the income, the GLA receives 20%, and the remaining 50% is paid to the national pool to be redistributed as before. Therefore London authorities benefit from 30% of any additional rates income, or bear 30% of the cost of any reduction.

- 7.6 If the year-end income from NNDR is higher than estimated at the start of the year, a surplus would be declared, which would be shared in the same ratios as above. Therefore, if Brent had a surplus it would keep 30% of this. If income was lower than anticipated, there would be a deficit to be shared in the same proportion (i.e. Brent would bear 30% of the deficit).
- 7.7 The estimate for the income figure (or net rate yield) for 2018/19, and the surplus or deficit figure as at 31 March 2018 will be taken from the NNDR1 return to be submitted in January 2017. The Non Domestic Rating (Rates Retention) Regulations 2013 require that these figures be calculated and notified to preceptors (central government and the GLA) by 31 January, and the NNDR1 return is used to calculate the figures.
- 7.8 Estimating what the figures will be is complex, as there are many factors which can significantly affect the overall figure, including entitlement to reliefs and properties coming in to, or being taken out, of rating. The biggest uncertainty concerns revaluations arising from appeals against the Valuation Office (VO) determinations. These are very common and can lead to large refunds being backdated several years. Given these uncertainties, it is recommended that a forecast of no surplus or deficit is assumed at present.

8.0 London Business Rates Pilot Pool

- 8.1 As reported to Cabinet in September 2017, it is proposed to proceed with a London business rates retention pilot via a pan-London pool in 2018/19.
- 8.2 Since this report, the London Council's Leaders' Committee met on 10 October 2017 and unanimously agreed 'in principle' to proceed with an application to government for a London wide business rates pilot pool for 2018/19. London Councils have been considering options for governance of the pool and it is proposed that the City of London Council act as lead authority operating under a Memorandum of Understanding (MOU) which requires consultation with a member representative of each of the participating councils. It is recommended that this role be undertaken for Brent by the Leader of the Council.

- 8.3 Whilst the timetable is challenging, and introduces a degree of uncertainty for both authorities and the government during the budget-setting process, London would not be unique in this regard.
- 8.4 The financial gains in 2018/19 for Brent, which range from £4m to £5m, are based on estimates using forecasts from London Boroughs and therefore are illustrative and a lower set of figures is entirely possible. However, the example serves to illustrate the potential direct financial benefit of joining a pool on the pilot basis being offered.
- 8.5 Assuming the pilot goes ahead as currently proposed, whatever option is ultimately chosen, and therefore the amount of additional business rates income due to Brent, a process needs to be agreed for allocating the money. However, the Council would need to exercise some caution in developing proposals too soon given the current uncertainties described above. The role of scrutiny will also be important as part of this process. Proposals would then be brought forward as part of the budget setting report in February 2018, subject to all the elements of a pilot pool being agreed within the required timescales.
- 8.6 Over the next few weeks, discussions will continue both with Government and within London to finalise the arrangements. Subject to consensus being reached, Government will then prepare a “designation order” to establish the London pilot pool and this will be reflected within the Provisional Local Government Finance Settlement.
- 8.7 In order to ensure that the council is able to make the necessary decisions in respect of participation in a timely way, it is proposed that the Cabinet make decisions in principle at this meeting and delegates to the Chief Finance Officer further decisions that will enable participation to proceed.

9.0 Approach to budget proposals for 2019/20-2020/21

- 9.1 As reported to Cabinet in July 2017, officers’ best estimate of the budget gap in 2019/20 was £13m. Since then, it is now estimated that the gap in 2019/20 is estimated at £19m and the gap in 2020/21 is estimated at £11m. The total saving over the two year period is broadly as expected at £30m but the profile has since changed. The most significant change to the budget assumptions over the summer has been the outcome of modelling the growth in the tax base. Previously, it was expected that the tax base would grow by 4.4% per annum, which was based on actual growth observed on average between 2014/15 and 2016/17. However, on analysing the actual tax base after 2016/17, growth appears to have slowed slightly to an average of 2.5%. This therefore has the impact of worsening the financial position in 2019/20, and beyond.
- 9.2 Nonetheless, the exact gap is inherently uncertain, simply because of the number of variables to be estimated and the difficulty of doing so over longer periods of time. In the current circumstances, with a lack of a clear national policy direction on many aspects of local government finance it is even more than usually difficult to do so. The most significant reforms to the local government finance system are:
- The iBCF, if it is built into long-term financial plans (which government has to date declined to do) has the potential to reduce the gap significantly.

- Business rates devolution, if it goes ahead, is theoretically cost neutral. However, most reforms to the local government finance system create winners and losers, but the impact of this cannot reliably be estimated at this point.
- The needs review, which will change the weighting of the factors (deprivation, population density and so on) used to allocate government funding. This will therefore create shifts in the pattern of funding and so the impact is likely to be substantial but which cannot reliably be forecast.

9.3 This gives a target savings figure of £30m, for 2019/20 and 2020/21. The accuracy of this is probably at best +/- 20%, and wider variations are entirely plausible. The actual figure required will not be known for at least a year, once the local government finance reforms are further forward.

9.4 The 2019/20 budget proposals will need to be consulted upon by autumn 2018, leading in to a February 2019 budget setting meeting at Council. It is therefore proposed to develop and consult on budget proposals for 2019/20 and 2020/21 after the elections in May 2018.

10.0 Financial Implications

10.1 There are no direct financial implications of agreeing the recommendations of this report. However, the entire report is clearly highly relevant to the council's overall financial position.

10.2 The budget agreed by Cabinet in February 2017 presented a balanced budget for the financial year 2018/19 and therefore no new budget proposals are proposed. Therefore there are no direct costs associated with agreeing the recommendations in this report, other than for consultation, the costs of which are built into existing budgets.

10.3 The overall budget setting timetable for the 2018/19 is set out below:

Date	Activity
11/12/17	Cabinet: Budget proposals 2018/19 and Collection Fund Surplus
12/02/18	Cabinet: Budget Proposals 2018/19
26/02/18	Full Council: Budget and Council Tax Setting

11.0 Legal Implications

11.1 A local authority must budget so as to give a reasonable degree of certainty as to the maintenance of its services. In particular, local authorities are required by the Local Government Finance Act 1992 to calculate as part of their overall budget what amounts are appropriate for contingencies and reserves. The Council must ensure sufficient flexibility to avoid going into deficit at any point during the financial year. The Chief Financial Officer is required to report on the robustness of the proposed financial reserves.

- 11.2 The Secretary of State has the power to designate two or more "relevant authorities" as a pool of authorities for the purposes of the provisions of Schedule 7B of the Local Government Finance Act 1988. If the council wishes to participate in the pilot it will need to have resolved to participate in the pool and accept the Secretary of State's designations of the pool by within 28 days of the Provisional Settlement.
- 11.3 Local authorities have the power to enter into a Memorandum of Understanding to record the governing arrangements between them including under section 111 of the Local Government Act (LGA) 1972.
- 11.4 Although the Cabinet is being asked to delegate to the COLC the functions of assessment, due consultation and approval of projects eligible for funding from the Pool's Strategic Investment Pot this power can only be exercised if, following consultation with the participating authorities, at least two thirds of such participating London Boroughs (including the City of London Corporation) and the Mayor of London in favour of the relevant recommendation as agreed by the authorised representatives from each authority (in the case of the London Borough of Brent, this will be the Leader of the Council) and provided that no entire sub-region is in disagreement with the decision.

12.0 Equality Implications

- 12.1 Under the Public Sector Equality Duty (PSED) of the Equality Act 2010, Brent Council is required in the exercise of its functions, to have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act,
 - advance equality of opportunity between people who share a protected characteristic and those who do not, and
 - foster good relations between people who share a protected characteristic and those who do not.
- 12.2 The nine protected characteristics are: age, disability, gender, gender identity, ethnicity/race, religion/belief, sexual orientation, pregnancy and maternity, marriage and civil partnership.
- 12.3 The PSED does not prevent decision-makers from making difficult decisions in the context of the requirement to achieve a significant level of savings across all operations. It supports the Council to make robust decisions in a fair, transparent and accountable way that takes into account the diverse needs of all our local communities and of our workforce. The duty continues to be a "have regard duty", and the weight to be attached to it is a matter for the Council, bearing in mind the principles of relevance and proportionality.
- 12.4 In March 2017 the Council agreed its budget for the current year, and a number of other proposals to be built into the budget from 2018/19 (Appendix A). These proposals went through extensive consultation and were subject to full Equality Impact Assessments to assess their potential/likely impact on service users and/or employees with protected characteristics. No changes to these are proposed.

- 12.5 This report sets out the overall financial framework and seeks authority to consult on the above listed draft budget proposals for 2018/19. Subject to the results of consultation it is envisaged that these would then form the basis of the budget to be agreed at the Full Council meeting of February 2018.

13.0 Consultation with Ward Members and Stakeholders

- 13.1 The budget proposals for 2018/19 will form the basis of consultation with local residents, businesses and other stakeholders via Brent Connects Forums. It is proposed to attend all five Brent Connects Forums (dates below) so that the whole borough is covered and to all residents the opportunity to give their views.

Brent Connects	2018
Harlesden	25-Jan
Kingsbury and Kenton	08-Feb
Kilburn	30-Jan
Wembley	17-Jan
Willesden	06-Feb

14.0 Human Resources/Property Implications (if appropriate)

- 14.1 Not applicable.

Report sign off:

CONRAD HALL
Chief Finance Officer