



Resources & Public Realm Scrutiny Committee

Budget Scrutiny
Task Group Report
January 2018

1. Introduction

a) A two-year budget

This year's Budget Scrutiny Panel was formed at the halfway point of a two-year budget. As a result, we have undertaken budget scrutiny in a slightly different way than may have been the case in previous years.

It has been commonplace to focus the vast majority of budget scrutiny time on looking at each of the Cabinet's proposed savings/cuts (members and residents may choose their own vernacular) and assessing their suitability.

During this budget cycle, all such plans were introduced at the start of the 2016/17 municipal year and no further specific savings plans are being introduced at this stage. Therefore, we decided to pick out just those specific policies where we had concerns for further analysis, rather than re-reviewing every single spending plan which last year's Budget Scrutiny Panel already examined.

This work is summarised later in the report and forms part of our legal duty to scrutinise the budget to ensure it is legal – i.e. balanced and costed – which we can confirm we believe it to be.

b) Business rates

The Resources and Public Realm Committee has had a long standing interest in business rates reform and the impact this could have on the way Brent raises and spends money.

The first task group ever commissioned by this Committee focused on the impact of devolving business rates retention to local government, as was the stated policy of the Government at the time. As far as we are aware, we were the first Council in the country to commission such a report through the overview and scrutiny function, and we hope that this has added some strategic value to the Council.

In 2016/17 we followed this up with a Budget Scrutiny Panel Report which gave particular recognition to issues around business rates, as well as a further task group report on the best ways local authorities can support local small businesses.

Given this track record, there was enthusiasm amongst the Panel to spend a significant part of our time looking at the impact of the plan to pool business rates across the London boroughs. We were able to do this because of the space available at the midway point of a two-year budget. The first half of this report deals specifically with these issues.

c) Brexit

Hanging over all of our deliberations as a Panel was the uncertainty generated by Brexit. There is no quick-fire way for Brent, or any other council, to acquire certainty on these issues. Indeed, the Government itself seems very unclear as to what will happen when the UK leaves the EU in 2019.

However, we do believe that the council should dedicate some time to thinking through the ways in which Brexit might impact on Brent.

Most notably, the population of Brent, both in its composition and total number, may change. Net migration to the UK is already down by 106,000 in the year after the referendum as EU nationals have left the country. If this trend continues and even accelerates in the years to come it is bound to have an impact on London as a whole, and a borough as diverse as Brent in particular.

The impact on trade for local manufacturers, for example at Park Royal, must also be considered.

Finally, with housing such a pressing need for so many local families, the combined impact of these issues on the local housing market is of paramount importance. A report produced by the estate agents Savills published in November predicted that in 2018 'average London house prices will fall by 2 per cent ... as Brexit uncertainty weighs on the economy and buyers hit the limits of mortgage' (Financial Times 2/11/17). This eventuality must be considered and planned for.

d) Method

This report is the beginning, not the end, of the Budget Scrutiny process. It will go to the full Resources and Public Realm Scrutiny Committee, and be on the agenda of that Committee's first meeting in 2018. It will also be presented to Full Council as part of the standing scrutiny report in February 2018.

The Budget Scrutiny Panel was comprised of representatives from each of the Council's three scrutiny committees, and chaired by Cllr Matt Kelcher as chair of the Resources and Public Realm Committee. Cllrs Kelcher, Ketan Sheth, Long and Nerva (pictured below) participated in three formal meetings at the Civic Centre where they were able to question the relevant officers and lead members. The chair also carried out interviews with front line officers and external experts.



Cllr Kelcher



Cllr Sheth



Cllr Long



Cllr Nerva

2. Business Rates Pool

a) Overview

With the loss of the Government's overall majority, the policy of fully devolving the collection and retention of business rates to local government has been

placed on the backburner. No bill to introduce this reform – which would amount to the most radical change to the way in which councils are funded in thirty years – was in the most recent Queen’s Speech.

However, this does not mean that scrutiny’s previous work on the localisation of business rates is no longer of use. As confirmed in the November 2017 budget, the government is establishing a 100% business rates retention pilot in London in April 2018. This raises many of the issues of business rate localisation discussed in our previous reports.

All 32 boroughs, the City of London and the Mayor of London, have agreed to formally enter into this pool.

A Memorandum of Understanding between London and the government establishes the specific terms of the 100 per cent retention pilot, within the general processes which govern any local authority business rates pool. The resulting key principles that underpin the pooling agreement are that:

- the 2018-19 pool does not bind boroughs or the Mayor indefinitely;
- no authority can be worse off as a result of participating;
- all members will receive some share of any net benefits arising from the pilot pool.

Through the pool, these authorities will be able to retain 100 per cent of business rates growth in London over 2018/19 to be spent on strategic investment. By contrast, at present, individual councils in England and Wales are only entitled to keep 50 per cent of the growth in their own area. As a result, there are obvious opportunities for councils within the pool, although sharing all the growth generated by the nation’s capital across so many local authorities obviously presents its own challenges.

The sustainability of the pool should some boroughs decide to leave, or if it will continue over the long term at all, are question for next year’s report. For now, all that has been guaranteed is that the pilot will operate across London in 2018/19.

b) Sharing growth

At the start of our work, the Panel anticipated that there would be huge debate amongst the London boroughs as to how the money generated by business rate growth should be shared. This is because there are boroughs which generate many, many more millions of pounds of business rates each year than others. The incentive for the richer boroughs is therefore to retain as much of the growth they have generated themselves as possible, and the incentive for poorer boroughs is for a system which shares the growth pot on the basis of need. Brent would probably sit somewhere between these two extremes in its incentives.

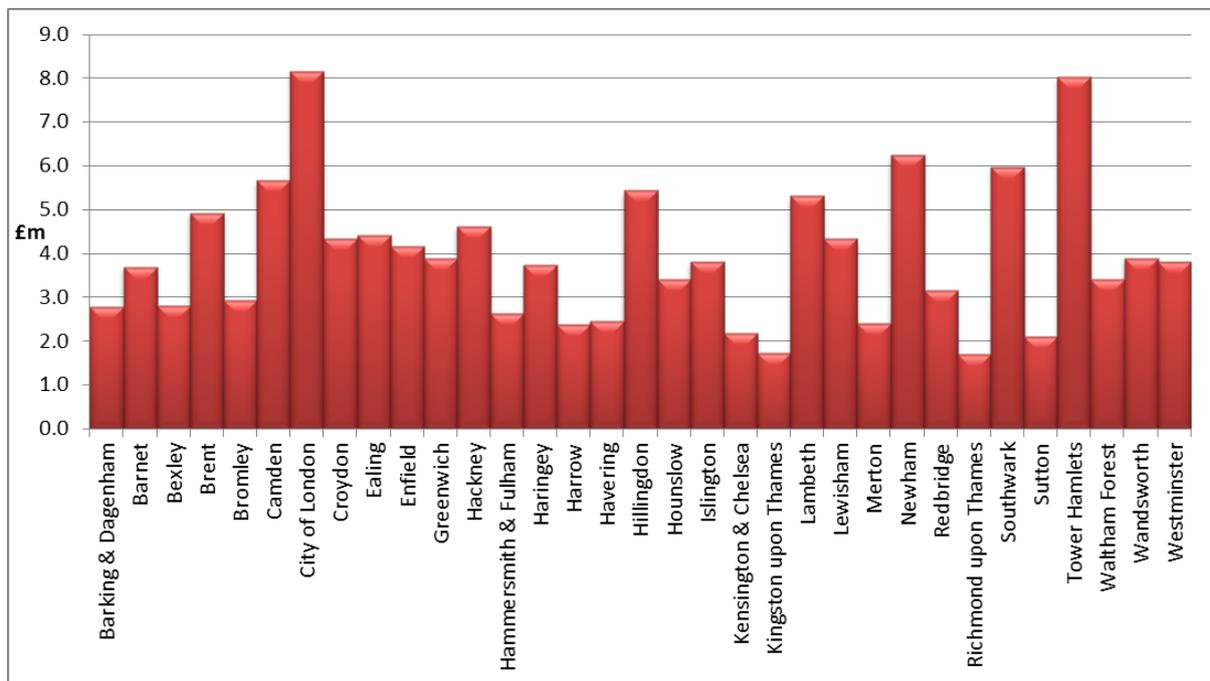
However, we found from questioning the Leader and Deputy Leader of Brent, and from an interview with a senior officer at London Councils, that in fact most boroughs were open to compromise and that an agreement of how to split the money in principle has been reached.

We were also told on more than one occasion that a strong push from the Department for Communities and Local Government that the split should strongly favour strategic investment helped to settle discussions.

At the time of writing, the proceeds of growth in the 2018/19 pilot year are estimated to be about £240 million. They will be split across the boroughs as follows

- 15% to reward growth
- 35% to reflect population
- 35% to reflect 'Settlement Funding Assessment'
- 15% set aside for a 'Strategic Investment Pot'

Brent will do moderately well out of this settlement in comparison with other boroughs, as demonstrated in the tables below.



	15:35:35:1 5 New
Barking & Dagenham	2.8
Barnet	3.7
Bexley	2.8
Brent	4.9
Bromley	2.9
Camden	5.7
City of London	8.2
Croydon	4.3

Ealing	4.4
Enfield	4.2
Greenwich	3.9
Hackney	4.6
Hammersmith & Fulham	2.6
Haringey	3.7
Harrow	2.4
Havering	2.5
Hillingdon	5.4
Hounslow	3.4
Islington	3.8
Kensington & Chelsea	2.2
Kingston upon Thames	1.7
Lambeth	5.3
Lewisham	4.3
Merton	2.4
Newham	6.2
Redbridge	3.2
Richmond upon Thames	1.7
Southwark	6.0
Sutton	2.1
Tower Hamlets	8.0
Waltham Forest	3.4
Wandsworth	3.9
Westminster	3.8
London Boroughs	130.3
GLA	73.9
London subtotal	204.3
Investment pot	36.0
London Total	240.3

These figures should meet the government’s guarantee that Brent is no worse off through joining the pool than it would have been under the old 50 per cent retention scheme. Therefore, our overall revenue budget in the coming years will be at least the same as it would otherwise would have been.

What is perhaps more interesting however, is the 15 per cent set aside as a “strategic investment pot”. This will be new money which London’s boroughs – through the City as lead borough – can invest in projects designed to prompt further economic growth and develop a virtuous circle where growth promotes re-investment and then further growth.

This investment must obviously be at a sufficient scale to ensure an impact. Sharing the pot amongst the 33 councils and letting them each spend a bit on their own local growth project is unlikely to achieve this scale. It is therefore understandable that the investment will be made strategically by all the

boroughs (administered by the City of London), as after all they will all share any proceeds.

Our Panel believes that regeneration is about more than just the bottom line. London's sub-regions will be able to exercise a veto on investment proposals for the pot, which should ensure that no sub-region benefits disproportionately. This should prevent a scenario where, for example, Brent will benefit from a share of the additional business rates revenue raised, but not from any of the jobs generated, nor from any attendant social or environmental benefits which may be generated.

However, the task group feels that this could be taken further, if the pooling arrangement becomes permanent. We suggest that Brent should advocate a form of sub regional investment. For example, in our region of London, the West London Alliance would be perfectly placed to organise investment on a scale which will generate sufficient growth to yield a return, whilst also providing opportunities to residents in a contained geographic area. We hope this could deliver the best of both worlds.

c) Short term windfall

An additional question the Panel considered is how Brent should spend the short term windfall it is expected to receive for entering into the pool in the first place.

The amount Brent is expected to receive is around £4.9 million, though the final exact figure will be confirmed once the 2017/18 business rates accounts have been audited.

As this is a one-off payment, with no commitment from the Government that it will be repeated should the pilot become permanent, we believe it should only be used for a specific and significant capital investment.

We believe the criteria the cabinet should use when assessing viable schemes that come under this bracket are as follows:

- That the capital investment should have a spend to save rational, and, in some way, reduce Brent's anticipated revenue spending in forthcoming years.
- That the investment aligns with the Council's political priorities.
- That the investment should represent a sound long-term financial decision.
- That the money spent makes a significant positive impact on the lives of the most vulnerable in Brent.

One potential investment which would meet these criteria would be the building or purchase of more properties for use as temporary accommodation. The Council currently spends significant sums on rents in the private sector for those in Brent who are homeless. Running more of our own properties would reduce this annual revenue cost as per our criteria above.

The properties would also not be subject to Right-to-Buy legislation which currently makes it so difficult for local authorities to build true social housing, as they cannot hedge their investment over a long period of time, knowing that

they may be forced to sell any of their properties at a rate below market value just three years after building it. This idea would also have a clear advantage for the most vulnerable people in our borough.

Of course the investment of such a significant sum will require much greater consideration but we hope these principles and thoughts provide the Cabinet with a good starting point.

d) Collection issues

As part of our research, the Chair of the Panel interviewed officers in Brent's revenue team about the process of collected business rates. We did this to reassure ourselves that switching to a pool would not present undue problems for our officers.

We were told that there would be little impact, if any, on day-to-day collection as it is only the place where the money is sent that will change.

We were reassured that the Council is doing all it can to maximise business rates collection at the current time, with a collection rate of 98.7 per cent achieved last year by Brent's contractor Capita. This represent the culmination of a positive recent trend as demonstrated in the table below.

Year	Proportion of business rates collected (%)
2016/17	98.74
2015/16	98.32
2014/15	98.11
2013/14	97.56

We were also pleased that the Council is taking the innovative approach of using an outside company to identify areas and buildings which are eligible to pay but are not currently being charged business rates on a no-win no-fee basis. This approach could probably be used more generally in the area of income generation, as we will discuss further below.

e) Backing Brent businesses

Whether through a regional pool, the total devolution of business rates, or further growth incentives – it seems clear to us that in future all local authorities will become more reliant on business rates as a source of income.

Therefore, we reiterate our calls from previous Panel reports that the council leaves no stone unturned in its efforts to grow our local private sector. We suggest two ways in which this may be achieved:

i. Business champion

The Panel was attracted to the idea of creating a single post, or small team, whose sole role would be to attract business to the borough. We believe that this could be funded through incentives with the additional rates brought into the borough used to pay costs and wages, it would therefore not represent a significant new financial burden.

We would also emphasise that significant private sector experience be essential for anyone applying for this position or team, and that the role not be specifically tied to any one department within the Council. Instead the business manager or business team should have free reign to float between departments identifying areas where the work of the council may be making things unnecessarily (we would very much emphasise the word "unnecessarily") difficult for businesses and suggesting improvements.

Of course, they should not have the only or final say and the council should never simply become a tool of business, but with such huge changes to the financing of local government soon to be upon us we feel that creating a new point of view within our structures could be essential in ensuring Brent takes a lead in adapting to life after the central government grant.

In other countries, such as Germany, membership of a Chambers of Commerce is compulsory for registered businesses ensuring that these Chambers are much more powerful and authoritative voices for businesses in their areas and that they have a semi-formal relationship with public bodies. The option suggested by the Panel for Brent could replicate some of the best features of this system.

ii. Procurement

Reforms to the machinery of government – local or national – to support our own businesses are long overdue in this country. It is amazing to think that the Government is still debating about whether it is a good idea to have an industrial strategy or not, decades after many of our competitors developed their own.

The head of the US Small Business Administration reports directly to the US President whereas none of the 15 direct reports to the permanent secretary in the Department for Business, Energy and Industrial Strategy (BEIS) is responsible for small British businesses. No wonder 45 per cent of US Federal procurement spend goes to home grown American small businesses - a figure which represents roughly eight times the lending rate of the UK Enterprise Finance Guarantee scheme after taking into account the relative sizes of the two economies.

Brent should not be afraid to think big, and realise the huge role it can play in creating a virtuous cycle where local businesses are supported to grow and then contribute back into the community and council coffers.

One in every seven pounds in the UK is spent by the state (equating to approximately 40% of GDP), making procurement one of the key levers that any public sector body has to boost business, employment and the economy.

Currently many businesses feel frustrated and locked out of the public sector procurement process. All public sector bodies set their own pre-qualification test for procurement contracts, so in any given area the Council might ask for copies of accounts dating back five years and a

biography of the CEO, the Fire Service might ask for six years of accounts and a biography of every director, the NHS Clinical Commissioning Group for something different altogether.

Brent Council is ideally placed to act as a central coordinator bringing together all public sector bodies which procure services in Brent and get them to synchronise their pre-qualification policies. This would give a strong message that Brent is open for business and encourage businesses to base themselves here so that they can access many different procurement opportunities, and in the long term pay more business rates back into Brent.

We would emphasise that within in this there would also be a golden opportunity to ensure further Living Wage payment within local supply chains if such a commitment became a more regular requirement to secure local procurement opportunities.

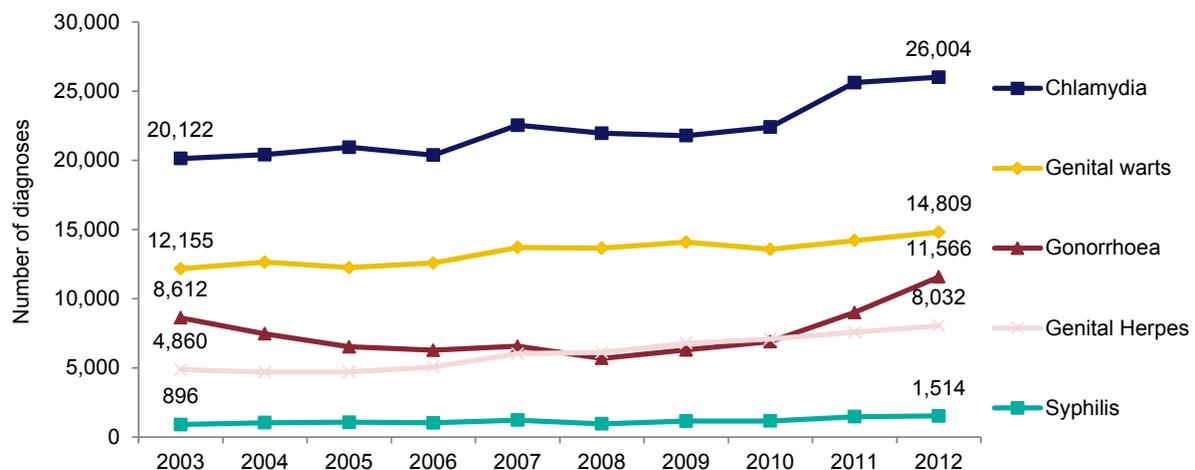
To truly adapt to the changing world of local government finance Brent must not only think openly but big and learn from the best practice around the world.

This report will now turn to the savings instigated at the start of the two-year budget, which we believed it would be prudent to review at this stage.

3. Savings – halfway review

a) Sexual health services

Provision of sexual health advice and services is an important budgetary consideration. In recent years there has been a clear trend of increased demand for these services which the council has a statutory duty to supply, as well as advice from Public Health England on the need for repeated testing. It is therefore very important that Brent finds a way to deliver these services which is both effective and efficient.



Diagnoses of the five main STIs: London GUM clinic attendees, 2003-2012

Last year, the Panel endorsed the idea of using an online platform to provide many of these services, as this would be both easier to access for many people and cheaper to deliver. However, we expressed some concerns about delivery and therefore wished to review progress again this year.

We learned during this process that there have been delays in implementing the full scheme, largely due to the fact that procurement is across 28 local authorities. Whilst this is understandable, we obviously have a duty to continue to monitor this issue and therefore recommend that an update report is presented to the Community and Wellbeing Scrutiny Committee in six months time.

b) NAIL

This time last year, the Budget Scrutiny Panel gave its broad support to the policy known as New Accommodation for Independent Living, or NAIL. Of this policy we wrote:

'Moving people towards supported living is a laudable goal as many people prefer to live in an independent setting. This should be an aim of the Council in any circumstances and so we believe it is regretful that it may be seen by some as a purely financial reform by being presented in this budget.'

'However, we would like every effort to be made to identify those users who may be fearful of change at the earliest possible stage to ensure work is done to reassure them and help them to adapt.'

This remains our view and we were pleased to see that the Council is stretching itself further by adding 18 new places to the original target of 450.

We are also encouraged by the council's move to purchase properties it will own in order to deliver the service. Even with the recent small increase, interest rates are at an historically low level and therefore it is a bad time for any local authority to leave unnecessary sums of money in its accounts and a good time to borrow to invest.

The council has approved a total capital outlay of £45.4m in relation to developments that deliver NAIL accommodation.. The table below summarises these schemes.

Council Developments	NAIL units
Clock Cottage	17
NAIL acquisitions (20 large dwellings)	90
Clement Close	12
Peel Road	11
London Road (Mixed Development 135 units in Total)	14
Knowles House (Mixed Development 149 units in Total)	55
TOTAL	199

In line with the principles of investment we outlined earlier in this report, we also investigated what impact this would have on Brent's revenue budget in coming years. If now is a good time to make capital investments, these investments should also save the Council money in the longer term. The initial direct capital investment by the council will deliver 199 units and will save the council over £3 million a year. The total NAIL programme is anticipated to save in the region of around £7.8 million per annum, which is not insignificant.

One aspect of this policy that the Panel did have concerns about was the geographical spread of these new services. Property in the north of our borough is significantly cheaper than in the south, and so it is a likely outcome that the vast majority of these units will only be purchased and run in one part of Brent. We are concerned this could continue to fuel perception, which members of our panel who represent wards south of the North Circular very much recognised, that the council is "only interested in Wembley".

We therefore recommend that due consideration is given to ensuring a geographical spread when strategical purchasing property. This should not be absolute, as we are aware of the cost implications, but we want to ensure that the council has foot prints all across Brent when delivering services. The Panel also accepted the possibility that a majority of property owned may already be in the south, and a policy of buying in the north may now even this out. However it is achieved, we believe a clear geographical spread should be the goal.

c) Bulky waste

The council's provision of bulky waste collection services is perennially a controversial issue. This is not a statutory service and it brings costs to the council both in terms of collection and disposal. However, an efficient and well-used system can have a positive effect on levels of illegal rubbish dumping in the borough and our recycling rates.

When the proposal to introduce a charge for a "gold standard" collection option was made in last year's budget, the Panel had clear concerns. We wrote at the time:

'The Panel had severe concerns about this proposal, primarily focused around the potential reputational damage to "Brand Brent" for what is a relatively small saving ... This is a sensitive political area and we feel that when speaking about this subject the Council needs to be extra careful to get its messaging right so no misinformation gets into the public arena.'

Anecdotally, the Panel believes that some of these predictions have come to pass. At public meetings in our wards, residents have come to us and asked why the council has taken away the free bulky waste service. In person we are able to explain why this is not the case but there must be many more residents we have not met who believe the free service has gone and never get to hear the alternative case.

Nevertheless, the policy is now in place and seems to be having some positive impact, with collection requests dropping from 70 per day to 15 per day. In the spirit of "what gets measured gets done" we would recommend that a clear

target for daily referrals is set and monitored each month by cabinet to ensure it does not begin to creep back up.

In our last Panel report we also recommended that the council do more to signpost people to other organisations which will take away bulky waste and dispose of for free, for example the British Heart Foundation Furniture and Electrical shop in Cricklewood. We believe that this helps to get the referral rate down but also lead to more re-use, as the shop will resell the item in the local community, whereas the council would most likely dispose of it in landfill. As the chart below demonstrates, re-use is a much more sustainable option than disposal or even recycling, it is also far cheaper for the council, which must pay landfill tax on every tonne of waste it puts underground.



With this in mind, we are very please that the council does signpost to these services on the special collection service page of Brent's website.

However, we would note that this information is contained nearer the bottom of the page and that even on a large screen residents will have to scroll down to find the appropriate information.

This is demonstrated in the screenshots below.

Furniture and large items: X

Secure | <https://www.brent.gov.uk/services-for-residents/recycling-and-waste/types-of-collection/special-collection-service/>

Apps | Google | Guardian | FPL | Natwest | Gmail | CRA OWA | Brent | Salesforce | CRA | CRA Members | MailChimp | Social Value Toolkit | TinyURL.com

Contact us | E-news/e-alerts | Jobs | Translate | Log in to My Account

 Search (e.g. Housing) | Apply | Report it | Pay It | Book it

My Services | My Business | My Council | My Community | My Account | My Location

Home > Services for residents > Recycling and waste > Types of collection > Special collection service

Ad closed by Google
Stop seeing this ad | AdChoices

Special collection service

Collections | How to present your items | Guidance - flats and North Circular | Terms and conditions

We have made changes to the way that our special collection service is provided. Our service is now chargeable, but we have made it easy for you to make bookings online and select your own collection day.

A charge of £35 applies for a collection of up to 5 items. You can book as many collections as you like in a year and we have increased the range of items that you can ask us to remove.

You can see the full terms and conditions of our new service in the tab at the top of this page. We recommend that you read them before making your booking.

Please note that if you previously booked a collection with our free service; your date of collection still applies and remains unaffected by the new service.

Book a Special Collection

[Book a Special Collection for bulky items](#)

Collections take place Monday to Friday. You can select your own collection day; up to 2 weeks in advance.

 Council Tax | Benefits | Parking | Council jobs | Planning Applications | Report missed bins collections

Furniture and large items: X

Secure | <https://www.brent.gov.uk/services-for-residents/recycling-and-waste/types-of-collection/special-collection-service/>

Apps | Google | Guardian | FPL | Natwest | Gmail | CRA OWA | Brent | Salesforce | CRA | CRA Members | MailChimp | Social Value Toolkit | TinyURL.com

 Collections take place Monday to Friday. You can select your own collection day; up to 2 weeks in advance.

If you are a landlord, you can now use our collection service to dispose of items when a tenant is moving out of a property.

If you are in receipt of Council Tax Support or Housing Benefit you will be entitled to one free collection per year (April to March). Any further collections will be chargeable at the full rate of £35. This free collection should be automatically applied when you make your booking. For the discount to be applied for other benefits you may need to contact us by telephone. Eligible benefits include Income related Job Seekers Allowance, Pension Credit (Guaranteed Rate) and Income Support.

If you experience any problems, please contact our customer service team on 020 8937 5050.

Alternative collection methods

If you don't want to use our new bulky waste service; you can use one of the many free alternatives for giving your item another home.

Most charity shops love to take things off you that you no longer need. If you have trouble finding a shop willing to take a large item, try the [British Heart Foundation's free furniture and electrical collection service](#).

Online sites and web communities

- [Freecycle](#) - the original platform for helping match up those in need of certain items, with those who want rid.
- [Freegle](#) - Around 17,000 people in Brent are using Freegle to give away and make use of items that are no longer needed by some people.
- [Gumtree](#) - Online classified adverts to pass on your no longer needed items.
- [Facebook](#) - Now featuring local buy and sell groups to sell or giveaway items with no fees.
- [eBay](#) - Buy and sell items on the well-known online auctioning site.
- [Nextdoor](#) - A free and private social network for your local neighbourhood with a 'free items' section
- [Preloved](#) - The popular classified site features a Free-loved section, letting you pick up things for free. While it's free to advertise your wares, users pay £5/year to get first dibs on the latest freebies.
- [SnaffleUp](#) - While still relatively small, SnaffleUp's modern design means it's easy to browse for freebies.
- [Re-cycle](#) - A charity that isn't able to collect unwanted bicycles, but can take them off you at several drop off points for them to be reused in developing countries in Africa.

Know of any others? Let us know and we'll update this web page.

What we can't collect

We will not collect pianos, soil, rubble, clinical and hazardous waste.
You can dispose of those items using these services.

 Council Tax | Benefits | Parking | Council jobs | Planning Applications | Report missed bins collections

By organising the information in this order the impression that the council is the first option, and that every services is second class, is maintained. It is our

opinion that these services would be even better used if they were more prominently displayed at the top of the page. Some of the charity retailers who collect furniture in Brent are well known national or local brands, so displaying these logos may catch people's eye quickly and encourage them to give to a charity they support rather than the council.

With all this in mind, we recommend a re-design of this council webpage and also training for staff in our information centre so that residents are referred to charity collectors in the first instance.

We believe this would benefit the council by reducing daily collection requests, benefit the residents by giving them a free and ethical option, and also benefit local charities who get more stock to sell and re-use.

Win/win/win.

Finally, we would also urge the cabinet to think about how the council can make it easy for residents to dispose of mid-sized items in an ethical and sustainable way. It was noted by the Panel that when a resident wishes to dispose of a very small item (for example a broken plate) they can do so for free by placing in their residential bin. Likewise, when they wish to dispose of a large, bulky item (for example a sofa) they can do so for free by organising a bulky waste collection. However, there are no such options for mid-sized items like an older vacuum cleaner or microwave.

Residents with a car can take these to Brent's household recycling centre, but for the majority of our residents who do not have their own vehicle this is very difficult. One suggestion from a member of the Panel was that at certain points throughout the year the council could set up collection points at designated places throughout the borough to allow people to dispose of these items in a sustainable way. This may help to tackle levels of illegal rubbish dumping which costs the council so much to clear.

d) Parking

We were surprised by how few demands for change were passed to the council as part of the demand-led review of Controlled Parking Zones (CPZs) announced in last year's budget. It is therefore welcome that CPZ policy will continue to be reviewed on a demand-led basis, though without significant publicity we feel that only those who already have enough social capital to access the council system might be able to participate.

The Panel noted, as is demonstrated in the table below, the number of penalty charge notices issued has generally increased over the last few years.

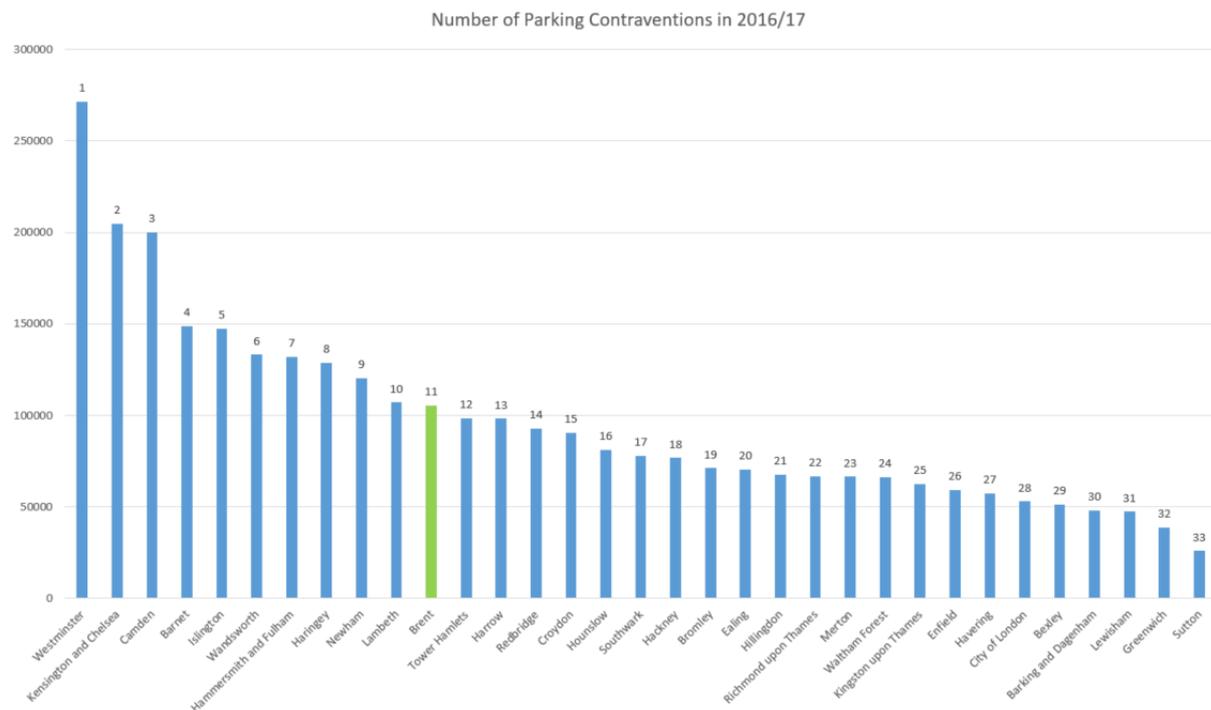
Contravention	2012/13	2013/14	2014/15	2015/16	2016/17
Parking Offences	85,101	75,460	87,146	99,145	103,424

We believe this is right. Those who do not play by the rules take away parking spaces from those residents who have paid into the system, they also contribute

to over-crowding and dangerously cluttered streets. A consistent system of penalty charges can help to change behaviour in the right direction.

The panel did express a belief that night time enforcement may be a gap in our operation. Residents are able to alert the council at night if cars are parked blocking drives or on double yellow lines or making any other infringement, with officers on duty to come out and issue penalty notices. However, many residents are not aware of this option and we suggest a publicity campaign may help in this regard and eventually pay for itself.

We were also interested in seeing how Brent performs in comparison to other London boroughs, and to this end acquired the data shown in the table below.



So, in terms of total PCNs issued, Brent sits eleventh out of 32 boroughs and the City of London. We were interested to see what it would take to move Brent further up this table as this would not only generate more income for the parking service, but also ensure a consistent approach which deters people from parking in places they should not right across Brent.

We accepted the argument from officers that more central London boroughs (Westminster, Camden, Islington, Hammersmith and Fulham, Kensington and Chelsea) will likely always generate more PCNs than Brent. This is also true of Wandsworth where every single road is covered by a CPZ. Despite this, there are certainly other boroughs in the "Top Ten" which could be expected to have similar amounts of parking stress as Brent and to which we should be comparing ourselves.

Further information we were given by officers was as follows:

'The main constraint is that we have been required by the Inter Authority Agreement with Hounslow to pay Civil Enforcement Officers minimum

wage, and this has impacted on recruitment and retention. As soon as the IAA is terminated next July we intend to move to London Living Wage like other neighbouring boroughs, and this should facilitate the expansion of the workforce and an increase in parking enforcement volumes.'

If this assertion is correct, we would expect to see an increase in the number of PCNs issued in the months after July. We believe this performance should be tested and scrutinised and therefore recommend that a report comes back to the appropriate scrutiny committee in twelve months' time analysing how the change of contract has affected our parking enforcement.

4. Other budget issues

a) Structural issues

In previous budgets there were particular departments which frequently incurred an overspend, and others an underspend which was used to bridge the gap and balance the budget.

This was clearly not a sustainable policy and we are pleased to see that ahead of this year's budget officers have done significant work to address these structural problems and deliver a more sustainable budget.

One concern that was raised revolved around Universal Credit and the impact this could have in Brent, particularly if vulnerable local residents require access to support and services during the five weeks claimants must wait for their first payment. As the full impact of Universal Credit is unknown at this time this is difficult to address, but we would hope the council builds the best assumptions possible into its budget planning.

b) Income generation

Councillors of all parties have a long-standing interest in income generation ideas and the commercialisation of council activities. This is likely because councillors see the process of generating our own money as a way to begin to plug the gap that appears as the central government support grant is slashed.

We are not naïve enough to believe that Brent could ever generate enough money to overcome the huge cuts we have faced since 2010, but generating additional income is never a bad idea and can contribute to our council's independence as well as our revenue.

We endorse Brent's "Civic Enterprise" strategy which seeks to imbed commercialisation at all levels of the organisation. In many areas this plan is having an impact. For example, in the area of debt, half of the targeted £1 million has already been raised.

However, other areas are more concerning. The plan to raise an additional £300k per year from advertising is behind target, with just £62k of recurring income secured so far. We were assured by officers and cabinet members that this was not the result of the council being "squeamish" about local authorities getting into the advertising business. For example, quotes have been gathered

to use the civic centre as advertising space, but bids were far lower than anticipated.

One suggestion we would like to make is that a similar model to that used in the area of business rates (as discussed above) is adopted. The council has a partner who travel around Brent identify business space which is rateable but not yet being charged on a no-win no-fee basis. Could a similar partnership be enacted to ensure every public space in Brent is examined to find new advertising space?

Another area of concern comes with fees and charges where a shortfall of £606k has been identified. Our suggestion for investigation in this area is the licensing of pavement space.

We have all noticed businesses in the borough who expand their shop or bar front onto the pavement – sometimes so far out that it causes blockages for prams and wheelchairs – and there does not seem to be any policing of this. We would recommend that a review of pavement licencing in Brent is carried out to see how much we could generate from this source.

This will not be an entirely straightforward task, as, at present, the council does not have an officer in place to enforce pavement regulations. Likewise, the cost of a pavement licence must be pitched at the right level. If we begin to take thorough enforcement action in this area but charge too much local businesses would be adversely affected, and if no business is willing to pay the amount demanded no income will be generated. We therefore believe that any review will also look closely at any figures set.

Finally, we do believe there is a role for Brent's CCTV network in this kind of enforcement action. Most high streets in Brent are covered by our CCTV cameras, and studying these could certainly help to identify those shops whose frontages are creeping ever further across the public pavement.

5. Recommendations

1.

Brent should dedicate some time and intellectual space to mapping out the potential consequences of Brexit for the borough, particularly in the areas of population, housing and manufacturing exports.

2.

Brent should advocate a form of sub regional investment for the "strategic investment pot" produced in the London business rates pool, if the arrangement becomes permanent. The West London Alliance could deliver investment in our region of London.

3.

The criteria Brent should adopt for strategic investment are as follows:

- That the capital investment should have a spend to save rationale, and, in some way, reduce Brent's anticipated revenue spending in forthcoming years.
- That the investment aligns with the Council's political priorities.
- That the investment should represent a sound long-term financial decision.
- That the money spent makes a significant positive impact on the lives of the most vulnerable in Brent.

4.

Brent should leave no stone unturned in attempts to grow the local private sector. Two ideas it should specifically look at are appointing a business champion and using the procurement system to support local businesses.

5.

A report on progress in delivery of the new sexual health services for the borough should come before Community and Wellbeing Scrutiny in six months' time.

6.

The council should always give due consideration to ensuring a geographical spread when strategically purchasing property.

7.

The council should set a target to keep bulky waste collection requests low in order to reduce costs and the amount of materials finding their way into landfill.

8.

The special collection service page of the Brent website should be re-designed to give maximum exposure to alternative and sustainable options which residents can use to dispose of bulky waste, particularly charity retailers in the borough. Helpline staff should also be trained to offer alternative options in the first instance.

9.

The council should look to develop sustainable ways for people to dispose of mid-sized waste items as a way of reducing illegal rubbish dumping.

10.

A report should be sent to the appropriate scrutiny committee in twelve months' time, demonstrating how the change of contract due in July 2018 affects parking enforcement in the latter half of 2018.

11.

The council should look into the possibility of hiring an external partner to find more advertising space in the borough on a no-win no-fee basis.

12.

A review of pavement licencing in Brent should be carried out to see how much we could generate from this source. This should take particular account of price and enforcement.