

MINUTES OF THE BUDGET PANEL
Monday, 8th October 2007 at 5.30 pm

PRESENT: Councillor Mendoza (Chair) and Councillors V Brown, Cummins and Anwar (alternate for Gupta)

Apologies for absence were received from Councillors Gupta and John.

1. Declarations of Personal and Prejudicial Interests

There were none.

2. Deputations

There were none.

3. Minutes of Last Meeting

RESOLVED:-

that the minutes of the meeting held on 17th July 2007 be received and approved as an accurate record.

4. Matters Arising

Councillor Cummins wished to emphasise the importance of holding utility companies to account for the quality of repairs they carried out to roads in the borough. With reference to a point raised at the previous meeting in July, he welcomed the recommendation in the 2007/08 Budget Panel report that such companies should be held accountable for any subsequent deterioration of repairs. Councillor V Brown also drew attention to the problems caused by the ongoing road works on Wembley High Road.

Councillor Blackman (Deputy Leader of the Council and Lead Member for Resources) stressed that he valued the Panel's support on this matter, and expressed the view that the Council should take stringent action against utility companies who failed in their duty to repair roads promptly and to the required standard. Duncan McLeod (Director of Finance and Corporate Resources) added that although the budget projections for 2008/09 assumed a further £80k income from utility companies, members might wish ask the Director of Environment and Culture to respond on this issue when he attended a future Panel meeting.

5. 2008/09 Budget Process Update and First Stage Savings

Duncan McLeod (Director of Finance and Corporate Resources) introduced the item, noting that the report before the Panel provided an update on developments in the budget setting process since July 2007. It was also explained that later that evening, the Executive would be asked to consider this report and agree the initial savings proposals for 2008/09, as set out in Appendix A. Thus, the current meeting had been timetabled to first give the Budget Panel an opportunity to comment on the savings proposals. It was further explained that Councillor Blackman had been invited to the meeting in his capacity as Lead Member for Resources to respond to members on the report.

Attention was drawn to the national context within which the Council's budget was set. Whilst the Chancellor was due announce details of the Comprehensive Spending Review (CSR) the following day, it was noted that no substantial increase in local authority funding was anticipated. Instead, it was predicted that Brent would be awarded a below the level of inflation grant increase of only 1 percent. Furthermore, it was likely that the Council would remain at this grant 'floor' until at least 2011. With this in mind, it was emphasised that both Office of National Statistics (ONS) and Greater London Authority (GLA) figures were thought to significantly under represent the population of the borough, which in turn adversely impacted on the funding levels awarded.

The Panel were also advised that the current budget gap could not be addressed solely through a rise in Council Tax, even if the maximum 5 percent increase was levied. Consequently, the proposed savings options outlined in Appendix A represented only the first stage in closing this gap, following which further savings would be required. Members heard that most service areas had achieved at least 2 percent savings. However, it had been agreed that both children's social care in the Children and Families department and One Stop Shops in the Housing and Community Care department had been exempt from this stage of the process as they were implementing 'invest to save' programmes aimed at achieving savings in future.

Outlining the budget setting process, Councillor Blackman explained that 6 percent savings were required to achieve a zero increase in council tax. He also sought to point out that spending in each service area had been thoroughly examined through the star chamber process. Members were further reminded that where possible savings should be implemented promptly in order to improve the Council's position for the current financial year.

There followed a discussion about the implications of the current financial situation of the Brent Teaching Primary Care Trust (Brent tPCT). The Panel were informed that whilst progress had been made on finding a resolution to the problem, until a settlement was reached between both organisations there would be uncertainty for the Council's budget. Councillor Blackman felt that in areas where there was already some agreement, it would be in the interests of both parties to reach a decision as soon as possible. In answer to a question

from Councillor Cummins, it was explained that the 2008/09 budget contained a contingency figure to accommodate the settlement that the Council would need to come to with the tPCT. Duncan McLeod further advised that it was likely that the entire contingency fund would be required to cover these costs. Noting the significant pressures within the Adult Social Care budget, Panel members were reminded that there had not yet been a resolution on the contentious issue of continuing care cases.

Further to a question from the Chair, members heard that efforts had been made to ensure that the proposed savings would not have an adverse effect on the Council's ability to deliver on the Corporate Strategy. It was noted, however, that a small number of areas within Environment and Culture would be affected. Further to a specific question raised, it was explained that whilst there would be a planned reduction of the revenue funded resurfacing programme, this work would be continued through the capital budget instead.

A number of questions were raised about the proposal to terminate the mobile library service. It was explained that the current mobile library vehicle had come to the end of its useful life and did not meet emissions standards. Given the significant costs involved in providing a replacement vehicle, the proposal was to end the mobile service instead. In turn, funds would be diverted into improving library services, particularly at Neasden Library. It was acknowledged that a substantial number of individuals used the current mobile service. However, the Panel were reminded that the draft Library Strategy included proposals for improvements in other services and the continued provision of home visits and outreach services.

Members also questioned the implications of the savings proposal for staffing within the Council. It was clarified that most of the deleted posts referred to in Appendix A were already vacant, and would not therefore require staff redundancies. In addition, Councillor Blackman advised that a number of staffing reviews had been implemented as part of the budget setting process, particularly in Children's Social Services and Adult Social Services. He also pointed out that there was currently a high number of agency staff employed in these services.

In addition, it was noted that options for increasing home and remote working opportunities were being considered as means of reducing staffing costs. Changes to the way health and safety food outlet inspections were conducted were cited as an example of where the Council was already achieving efficiencies through the use of mobile technology. Furthermore, the Panel were advised that planned improvements to the Council's IT systems would reduce the duplication of information held across departments, thus requiring fewer staff to input this data. Duncan McLeod added that in the long term, the implementation of the Client Index would reduce the number of interactions an individual required to access Council services, which in turn would have an impact on required staffing levels.

Following a question from the Chair, it was explained that the proposal to increase furniture storage charges had been made with the intention of discouraging people from using this service unnecessarily. Moreover, the Panel was advised that these increased charges would bring the service in line with the general Council policy of ensuring that charges levied should at a minimum cover the cost of the service provided. Officers agreed to supply the estimated savings from this initiative following the meeting.

Councillor Blackman explained that the significant proposed savings in the area of waste management were based on a move towards compulsory recycling. Whilst the potential saving for 2008/09 would be £400k, members were reminded that this figure took into account the educational and promotional activities that would be necessary to improve recycling rates. Thus, in future years the savings could be even greater. Further to concerns raised about proposed reductions to grants awarded to organisations, such as the Citizens' Advice Bureaux (CAB), the Panel was advised that whilst regrettable, it was necessary for the Council to make savings in this area. However, these savings would not be finalised until the outcome of a public consultation process.

The Chair concluded the item by thanking the Lead Member for Resources for responding to members' questions.

6. Date of Next Meeting

It was noted that the next meeting of the Budget Panel would take place on Wednesday, 31st October 2007.

7. Any Other Urgent Business

There was none.

The meeting ended at 6.25pm

A MENDOZA
Chair