

**MINUTES OF THE BUDGET PANEL**  
**Monday, 3<sup>rd</sup> December 2007 at 7.30 pm**

PRESENT: Councillor Mendoza (Chair) and Councillors V Brown, Cummins, Gupta, John and J Moher.

Also present was Councillor Dunwell.

**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 21st November 2007 be received and approved as an accurate record.

**4. Matters Arising**

Councillor J Moher stressed that the Budget Panel meeting on 7<sup>th</sup> February 2008 should provide all members with an opportunity to take part in the budget scrutiny process. With this in mind, he questioned the necessity of both the Leader and Deputy Leader of the Council attending the meeting, on the basis that this might reduce the length of time available for questioning. Following the general agreement of the Panel, officers agreed to write to both individuals suggesting that the Deputy Leader attend the meeting to represent the Administration.

**5. Adult Social Care Budget Issues**

Martin Cheeseman (Director of Housing and Community Care) provided a presentation for the Panel on the main budget pressures concerning his service area. Whilst highlighting that £2 million worth of savings had been identified, those present were reminded that not all efficiencies would be achievable in the short term. Furthermore, due to the current financial climate, it would be necessary to defer items identified for service priority growth to future years.

Particular focus was placed on the Adult Social Care service, which was explained to be the source of most of the department's inescapable spending growth, and was forecast to have an overspend of approximately £3.2 million by the end of the financial year. The primary

reasons for this overspend were cited as being an increase in service demands combined with social care costs previously paid by the Brent Teaching Primary Care Trust (Brent tPCT)<sup>1</sup>. Panel members were reminded that as a consequence of these budget pressures, the Council had in the previous financial year taken a decision to implement a transformation of the Adult Social Care service. The 7 themes on which this transformation scheme were based were explained as being self-directed support, modernisation of day care, transport, assessment and care management, maximisation of staff effectiveness, service delivery, and commissioning.

In terms of social care costs<sup>2</sup>, the Panel were advised that the majority of continuing care cases had now been reviewed and agreed, the result being that considerable costs of approximately £3.612 million would be transferred to the Council. It was also explained that there was a degree of dispute as to whether these social care costs<sup>3</sup> should be backdated but, this could result in further costs to the local authority in the region of £1.8 to £1.9 million. Whilst adamant that learning disability cases did not fall within the responsibility of the local authority, Mr Cheeseman explained that this was another area of disagreement. He argued that whilst the Council had a good legal case for disputing these costs, it would not be in the interests of either party to go to judicial review. Consequently, it was hoped that through further negotiations, a resolution would be found by the end of the year. Nevertheless, it was acknowledged that a strategy had been established to deal with the eventuality of legal action. Following a question from the Chair, it was confirmed that the £3.2m overspend did not include PCT costs.

The Panel were informed that where it was felt that costs charged were too high, the department would seek to renegotiate residential placement contracts. It was stressed that the needs of vulnerable clients would remain paramount, and therefore patient relocations would only be considered in extreme circumstances and where it was determined that appropriate care was not being provided. Following a question raised, it was also clarified that take up of direct payments resulted in differential levels of savings between different client groups, but overall significant efficiencies could be achieved through this initiative. One member of the Panel raised concerns about the possible implications of a move to direct payments for the provision of transport services. In response, it was asserted that increased take up of direct payments would lead to a reduction in the number of clients using day care facilities and therefore requiring this service.

A number of questions were raised in connection with the plans for the modernisation of day centres. Some concern was registered about the possible impact of the Albert Road Day Centre relocation, following which members were informed this measure had been made necessary

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<sup>1</sup> As amended at the meeting of the Budget Panel on 15<sup>th</sup> January 2008.

<sup>2</sup> As amended at the meeting of the Budget Panel on 15<sup>th</sup> January 2008.

<sup>3</sup> As amended at the meeting of the Budget Panel on 15<sup>th</sup> January 2008.

due to the South Kilburn Regeneration Scheme. It was also explained that some regeneration funding had been allocated for the relocation costs. One option for the future configuration of services currently being explored was a redevelopment of the Stonebridge Day Centre to accommodate the current users of the Albert Road centre. Following a query, it was confirmed that savings from the Council's Travellers' site would be achieved by increasing the rent charged.

Overall, Mr Cheeseman sought to emphasise that the department had been successful in achieving the £1 million savings target from transformation projects for the current financial year, and it was thought that a further £1.4 million could be achieved for 2008/09 over and above what had already been agreed.

## **6. Children and Families Budget Issues**

There then followed a presentation from John Christie (Director of Children and Families) who outlined that as a result of the implementation of the 'Spend to Save' programme, the budget for his department would remain at approximately the same level for the next three years. Members were also reminded that due to the nature of services provided, the Children and Families department had only a limited capacity to increase income. It was further acknowledged that the service area was not on target to meet its budget for current financial year, and instead was currently overspent by £1.2 million. Following a request for clarification from the Chair, it was confirmed that it would be necessary to identify funds from the budgets for the next two to three years to address this overspend.

Departmental budget growth pressures were then outlined, with particular reference to the impact that increasing numbers of children entering the borough was having on the budget. It was explained that although this increase was being matched by a significant rise in the amount awarded to the borough under the Dedicated School Grant, there would still be implications for the local authority, for example through an increased demand for special educational needs support. The Panel were advised that one option for reducing future budget pressures would be to transfer appropriate costs to the Schools' Fund, which in some cases would require the approval of the Schools' Forum. When asked for his comments on the viability of this course of action, Mr Christie thought that the Forum would be amenable to the transfer of reasonable costs.

Attention was drawn to a number of projects currently being rolled out to achieve savings within the Children and Families Department. Panel members were also advised on the savings possible through joint commissioning of services and the advantages of bringing costly out of borough placements back to Brent. Emphasising that the majority of schemes were on target, it was stressed that one of the key successes to date had been the reduction in residential places required in Brent, particularly given the significant costs associated with this type of care. It

was, however, acknowledged that problems with recruitment had resulted in some set backs in the project to increase the number of foster carers in the borough.

Mr Christie was keen to stress that the department was spending less than it had done in the previous year. In addition, he asserted that problems recruiting carers had been the primary reason for the failure to meet targets, and he was therefore of the view that addressing this issue would be crucial to achieving greater efficiencies in future. Further to a question raised, Mr Christie expressed his confidence that the department would be successful in recruiting the required number of foster carers to address current problems. One member questioned how the department would improve the recruitment process, and was advised that a new strategy had been adopted aimed at encouraging applicants to view fostering as a full time career. The efforts being taken to target individuals with the relevant experience, and ensure that recruitment reached all the various communities within Brent were also outlined. Overall, Mr Christie was of the view that whilst progress was slower than anticipated, the Spend to Save Programme was making steps towards improving efficiencies within Children and Families.

Responding to concerns raised, Panel members were informed that the needs of children remained paramount in relation to service changes. The Panel were also reminded of the steps taken to safeguard children in the care of the local authority. Members were further advised on the benefits of crisis intervention work, such as the schemes newly in place at the Freeman Centre, and heard that whilst some early successes were evident, it was too early for this to translate into a reduced number of placements required in the borough.

## **7. Environment and Culture Budget Issues**

Finally, Michael Read (Assistant Director of Policy and Regulation) attended the meeting on behalf of the Director of Environment and Culture to provide a presentation on budget issues in this service area. In terms of headline issues, it was pointed out that Environment and Culture comprised of approximately 20 per cent of the Council's overall budget. Members were also advised that unlike some other departments, many of the sources of income within the service were fixed, thus affording little flexibility in terms of generating additional funding.

Explaining the agreed savings that had been identified for Environment and Culture, Mr Read advised that the allocation of a significant proportion of the budget to areas such as waste management and street care had been the result of member level decisions. Furthermore, issues like the central government target to reduce the use of landfill and moves towards a compulsory recycling system would help address the increased budget pressures in relation to waste in future years. Panel members expressed concern about the lack of recycling facilities in some properties in the borough, and the officer advised that he would contact Streetcare to provide clarity on this matter following the meeting.

It was also noted that a number of services within the department had been subject to review, from which efficiencies had been identified. It was also explained that other areas, such as customer services, would be reviewed to identify further savings. However, this strategy aside, it was explained that further efficiency savings would not be possible, and thus any additional savings would require service cuts. It was also acknowledged that the revenue received from bulky waste charges had been lower than anticipated due to the reduction in take up figures for the service.

The Chair enquired whether current budget pressures were likely to impact on the department's ability to meet its commitments under the Corporate Strategy, and was advised that whilst good progress was being made in this regard, some reprioritisation might be required. It was also argued that in view of the current waste contract it was likely that service improvements could be sustained without the need for a significant increase of resources. This waste contract was highlighted as an example of high quality procurement. However, those present were reminded that now the waste contract had been established, there was no room for renegotiation of terms. Moreover, it was pointed out that a significant proportion of the department's budget was tied up in long term contracts which, once secured, could not be renegotiated.

One member asked a question regarding funding for the Transportation Service, and heard that it was likely that the current rate of £4.8 million would remain the same in the next financial year. Further to a suggestion raised, it was explained that due to the restrictions placed on Section 106 planning agreements, this was not envisaged to be an area where the department could significantly increase revenue. Mr Read also agreed to provide a response to a specific point raised by Councillor John regarding the lack of changing rooms in a local recreation ground following the meeting.

#### **8. Date of Next Meeting**

It was noted that the next meeting of the Budget Panel would take place on Tuesday, 15<sup>th</sup> January 2008.

#### **9. Any Other Urgent Business**

There was none.

The meeting ended at 9.50 pm

A MENDOZA  
Chair