



Cabinet – supplementary: Budget report and appendices

Monday 8 February 2016 at 7.00 pm

Board Room 4 - Brent Civic Centre, Engineers Way,
Wembley HA9 0FJ

Membership:

Lead Member Councillors:

Portfolio

Butt (Chair)	Leader of the Council
Pavey (Vice-Chair)	Deputy Leader of the Council
Denselow	Lead Member for Stronger Communities
Hirani	Lead Member for Adults, Health and Well-being
Mashari	Lead Member for Employment and Skills
McLennan	Lead Member for Housing and Development
Moher	Lead Member for Children and Young People
Southwood	Lead Member for Environment

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The press and public are welcome to attend this meeting

Agenda supplementary: Budget report and appendices

Introductions, if appropriate.

Apologies for absence.

Item	Page
4 Budget 2016/17 and Council Tax	1 - 136


Ward Affected:
All Wards

Lead Member: Councillor Pavey
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Date of the next meeting: Monday 14 March 2016



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- The meeting room is accessible by lift and seats will be provided for members of the public.

 Brent	<p style="text-align: center;">Cabinet 8 February 2016 Council 22 February 2016</p> <p style="text-align: center;">Report of the Chief Finance Officer</p>
Wards affected: All	
Budget and Council Tax 2016/17	

1. INTRODUCTION

Strategic overview

- 1.1. The council takes a long-term and strategic approach to its corporate and financial planning. This has been adapted, and will continue to be adapted, in order to meet residents' most important needs whilst remaining within the financial constraints imposed by the ongoing austerity regime.
- 1.2. At the beginning of the austerity regime, in 2010, the council adopted a highly successful "One Council" programme. This was principally, but by no means exclusively, designed to reorganise the way that the council operated and to deliver substantial savings through business process re-engineering and other management efficiencies. It also brought a more corporate focus to a council that had previously been characterised by a highly devolved and departmental structure. From 2010 to 2014/15 the One Council programme made a substantial contribution to the £89m savings delivered in that time, although of course difficult choices about the levels of service provision also had to be confronted over this period to meet the financial targets.
- 1.3. Although the One Council programme continued after 2014/15 the scale of the financial challenges in 2015/16 and 2016/17 demanded that the council adapt its approach. Further savings of £53.9m were required in these two years alone, and the council shifted its focus to a more target driven approach

which required Directors to assume more personal accountability for delivering efficiency savings within their own areas of responsibility.

- 1.4. These savings targets were deliberately set to reflect organisational priorities, with the standard benchmark being that front-line savings should identify options for reducing costs by up to 20% whilst the target for back-office services was set at twice this level, at 40%. Around two-thirds of these savings were identified by driving organisational efficiency even harder, although inevitably progressively more difficult choices had to be confronted about levels of service provision.
- 1.5. The budget set in March 2015 had, in particular, two unusual features, which reflected the strength of this strategic approach. Firstly, the council explicitly consulted on a package of savings proposals that was, in aggregate, £6m greater than the total amount required to be achieved. This ensured that genuine choices could be made, informed by the results of that consultation. Few councils have adopted such an approach. Secondly, the budget proposals consulted upon covered the period 2015/16 and 2016/17. After draft proposals that would have saved approximately £6m were withdrawn the council was still able to agree a balanced budget for 2015/16 and business plans for 2016/17 with a funding gap of less than £1m. Although many councils aspire to set budgets over a longer term than just a single year, few, in practice, actually achieve this.
- 1.6. Since March 2015 there has been a change in government following the general election. Subsequent to that the provisional financial settlement for local government has been announced, and is in some ways worse than anticipated, forcing the council again to adapt its approach. This merely underlines the strength and importance of a two-year (or ideally longer) approach to budgeting. The consequence of this evolving approach is that the council is able to enter the 2016/17 financial year without needing to consider new savings proposals to take effect in that year. Instead, the focus of this budget can turn more to 2017/18 and 2018/19, to the emerging investment strategy and how this might help reduce long-term costs, to the council's new, wholistic approach to outcome based budgeting and to questions about council tax levels in light of changing government policy.
- 1.7. As a result this budget is grounded in the Borough plan, and in the council's corporate plan. It is geared towards delivering the emerging vision for Brent 2020, with a greater focus on organisational efficiency, on procurement efficiencies to make council taxpayers' money go further and on developing civic enterprise to mitigate the extent of service cuts required.
- 1.8. This report is structured as follows:
 - Recommendations for cabinet and full council to approve
 - The overall process for constructing the revenue budget is set out;
 - The forecasts against the current year's (2015/16) revenue budgets are summarised, in order to ground the later issues in practical concerns;

- The future revenue funding position is updated in the light of the local government finance settlement, which was released after the last Cabinet report on the subject;
- Specific issues for the 2016/17 revenue budget, such as the funding for unavoidable growth pressures which are a part of any budget process, are set out for consideration;
- The new revenue saving proposals for 2017/18 and 2018/19 are summarised;
- The results of consultation, equalities and staffing analyses and other relevant factors are set out; and
- The formal revenue budget and council tax for 2016/17, informed by all of the above, is set out for agreement.

1.9. The report then turns to the capital programme, the emerging investment strategy and to the associated prudential borrowing indicators and treasury management measures.

1.10. The key features of the revenue budget now proposed are that:

- Brent's share of the council tax is increased by 3.99% from its 2015/16 level. Of this 1.99% would be for general usage, and 2% to meet demographic pressures in Adult Social Care. This would be the first rise after six consecutive years of council tax freezes; and
- Further savings of £18.8m are proposed, split between £9.6m in 2017/18, and £9.2m in 2018/19.

Whilst this report does not bring forward sufficient proposals to balance, if agreed, the revenue budget for 2017/18 and 2018/19, it does set out proposals that, if agreed, would very significantly reduce the budget gap for those years. These proposals provide a strong foundation from which the council can continue to plan for the future.

1.11. Where savings have been proposed these have been linked explicitly to the council's key strategic goals and in many cases flow naturally from the continued implementation of agreed policies. Taking the 2016/17 budget proposals, in adult social care the service's overarching policy is to enhance independence. This is underpinned by the Market Position Statement through which there is an ongoing drive to secure fair prices with providers, improving value for money, whilst the NAIL programme continues to enhance the quality of independent life for vulnerable residents, simultaneously reducing the costs for the council taxpayer. Integration of services with health partners also simplifies services for residents whilst reducing costs.

1.12. Children's social care has been prioritised in the budget, with individual social workers' case-loads kept at safe levels and no cuts have been made to the numbers of social workers. The 'signs of safety' programme provides the policy framework for the development of the service. However, efficiency savings are still being found and value for money improved by seeking to move vulnerable children from the highest cost and most secure placements

to less costly arrangements, but only where this is safe and in the child's best interests. Housing remains a significant financial pressure, but by continuing to bear down on the costs of the most expensive forms of overnight bed and breakfast accommodation efficiencies have been achieved, reducing total expenditure. A fuller temporary accommodation reform plan will shortly be brought to a subsequent Cabinet meeting. At the same time the continued focus on reducing back office costs will see, for example, savings of over £3m in finance and IT costs alone, including the income achieved through selling the IT service to other local government bodies.

- 1.13. The longer-term proposals for 2017/18 and 2018/19 are also aligned to existing policy and key strategic themes. Value for money and efficiency are very much at the heart of the proposals, with savings in excess of £8m from contract re-procurement efficiencies alone, linked to a procurement strategy with an emphasis on social value. These are linked to the proposals under the emerging 'civic enterprise' theme, a fuller strategy for which is being developed and is due to be signed off by Cabinet in the near future. There will be challenges in delivering these proposals, but the principle of leveraging greater value from the council's assets in order to reduce the impact on other services is an important one. Back office services too, some of which have been reduced by 40% in the last two years alone, are planned to contribute a further £1m to the future years' saving target.
- 1.14. Fair and responsible enforcement is another important theme. Better collection of debts, fair to those in need and robust against those who choose to try not to pay will generate additional revenues, and the council has existing policies, such as private sector licensing which operate on a self-financing. Further opportunities to develop the potential here will be a priority in the coming months.
- 1.15. It is also perhaps important to stress the outcome of this budget process, and indeed of the strategic approach over the last few years. The focus of this report, for clarity and ease of decision making, is rightly on proposed changes to the budget, which in the current financial climate inevitably draws attention to reductions in expenditure. However, despite the pressure since 2010, the council has not closed any of its 17 children's centres. It has invested in new accommodation for independent living, enhancing the opportunities for vulnerable elderly residents. The scale of development in the borough, including building the first new council houses for 30 years, major school expansions, and brand new schools, is amongst the most impressive in London. More needs to be done, and as set out further in the report the council's investment approach will be adapted to meet the future challenges. Nevertheless, the strategic approach adopted to date has shown itself to be sufficiently flexible to meet the austerity agenda whilst preserving and even enhancing key services, and there are good reasons to presume that this record can be maintained, despite the challenges.

2. RECOMMENDATIONS

- 2.1. Agree an overall 3.99% increase in the Council's element of council tax for 2016/17 with 2% as a precept for Adult Social Care and a 1.99% general increase.
- 2.2. Agree that if the 2% adult social care precept in the Council's element of council tax is rejected, Adult Social Care expenditure will be cut by £1.9m in 2016/17 from the levels proposed in this paper.
- 2.3. Agree the General Fund revenue budget for 2016/17, as summarised in Appendix B.
- 2.4. Agree the cost pressures and savings detailed in Appendix D and dedicated schools' grant as set out in section six.
- 2.5. Agree the revisions set out in paragraphs 6.3, 6.4 and 6.5 to the savings originally proposed in the budget set in the 2015/16 budget.
- 2.6. Agree the revision set out in paragraphs 6.6 to remove saving MGF02 from the 2017/18 and 2018/19 budget proposals.
- 2.7. Note the Chief Finance Officer's assessment of risks as set out in Appendix E.
- 2.8. Note the report from the Budget Scrutiny Panel in Appendix F
- 2.9. Note the results of consultation as set out in section 9
- 2.10. Agree the budgets for central items as detailed in Appendix G.
- 2.11. Agree the capital programme as set out in Appendix J.
- 2.12. Agree the Treasury Management Strategy and the Annual Investment Strategy for 2016/17 set out in Appendix K.
- 2.13. Agree the Prudential Indicators measuring affordability, capital spending, external debt and treasury management set out in Appendix L
- 2.14. Note the advice of the Chief Legal Officer as set out in Appendix M
- 2.15. Agree the categorisation of Earmarked Reserves and Provisions set out in Appendix N
- 2.16. Agree the schedules of fees and charges set out at Appendix Q

For Council

These recommendations only include a provisional Council Tax level for the GLA as its final budget was not agreed when this report was dispatched. This means that the statutory calculation of the total amount of Council Tax under Section 30(2) of the Local Government Finance Act 1992 may be amended by the final Greater London Authority precept.

2.17. In relation to the council tax for 2016/17 we resolve:

That the following amounts be now calculated by the Council for the year 2016/17 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 as amended:

- (a) £1,025,870,075 being the aggregate of the amount that the Council estimates for the items set out in Section 31A(2) of the Act.
- (b) £927,580,000 being the aggregate of the amounts that the Council estimates for the items set out in Section 31A(3) of the Act.
- (c) £98,290,075 being the amount by which the aggregate at (a) above exceeds the aggregate at (b) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its Council Tax requirement for the year.
- (d) £1,101.24 being the amount at (c) above, divided by the amount for the taxbase of 89,254, agreed by the General Purposes Committee on the 25th Jan 2016, calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year.

(e) Valuation Bands

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
734.16	856.52	978.88	1,101.24	1,345.96	1,590.68	1,835.40	2,202.48

being the amounts given by multiplying the amount at (d) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D,

calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

- 2.18. That it be noted that for the year 2016/17 the proposed Greater London Authority precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, in respect of the Greater London Authority, for each of the categories of dwellings are as shown below:

Valuation Bands

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
184.00	214.67	245.33	276.00	337.33	398.67	460.00	552.00

- 2.19. That, having calculated the aggregate in each case of the amounts at paragraph 2.15(e) and 2.16, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of council tax for the year 2016/17 for each of the categories of dwellings shown below:

Valuation Bands

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
918.16	1,071.19	1,224.21	1,377.24	1,683.29	1,989.35	2,295.40	2,754.48

That it be noted that the Chief Finance Officer has determined that the Council's basic amount of Council Tax for 2016/17 is not excessive in accordance with the principles approved under Section 52ZB of the Local Government Act 1992.

- (a) That the Chief Finance Officer be and is hereby authorised to give due notice of the said council tax in the manner provided by Section 38(2) of the 1992 Act.
- (b) That the Chief Finance Officer be and is hereby authorised when necessary to apply for a summons against any council tax payer or non-domestic ratepayer on whom an account for the said tax or rate and any arrears has been duly served and who has failed to pay the amounts due to take all subsequent necessary action to recover them promptly.
- (c) That the Chief Finance Officer be and is hereby authorised to collect revenues and distribute monies from the Collection Fund and is

authorised to borrow or to lend money in accordance with the regulations to the maximum benefit of each fund.

- 2.20. That in the event that the GLA sets a different council tax precept to that set out in this report (which was the published provisional amount at the date of despatch) that authority be delegated to the Chief Finance Officer to vary the amounts at 2.18, but only insofar as to reflect the GLA decision, and to make consequential, but no other, amendments to the amounts at 2.19.

3. Budget Development Process

- 3.1 Proposals in this budget have been developed by the members of the Cabinet, taking account of the advice of officers. The key processes for doing this were, in summary, as follows:
- Development of the budget approach, based on the updated medium term financial outlook which was considered by the Cabinet in October 2015;
 - Meetings involving Cabinet and Corporate Management Team members to consider the key service and budget issues likely to affect the council in future years;
 - Development by officers, in consultation with relevant Lead Members, of budget proposals for individual services within the context of the Borough Plan and the overall resources available;
 - The First Reading Debate at Full Council;
 - The publication of a detailed list of savings proposals at Cabinet in December 2015;
 - Debates through the Budget Scrutiny Panel of the Scrutiny Committee;
 - Public consultation events on 14 and 25 January 2016 and presentations and question and answer sessions at each Brent Connects meeting;
 - Considering feedback from the public, whether received by the general 'consultation@brent.gov.uk' email address or other direct representations;
 - Receipt of petitions from the public and representations from other interested parties, such as recognised trades unions and local businesses; and
 - Conducting Equality Impact Assessments of proposals, where appropriate, in order to ensure that their consequences were properly understood.

4. The Council's current year revenue budget and forecasts

- 4.1. Current forecasts for 2015/16 budget at the end of December show a service overspend of £2.1m. Of this, £1.1 million relates to the Children & Young

People department, and £1.0m relates to Community Well Being. However, the delay in delivering the capital programme means that the forecast capital financing costs for the year will be significantly lower, with the result that the overall budget can be balanced for the year. Whilst the outcome is satisfactory this highlights the issues with delivery of the capital programme, and work is underway through an officer led Capital Delivery Board, chaired by the Strategic Director of Regeneration and Environment, to address this in 2016/17.

Children & Young People

- 4.2. The Children's Social Care placements budget is forecasting an overspend of £0.2m, which represents the continuing risk associated with managing the mix of placements for Brent's Looked After Children.
- 4.3. The budget for social workers within the Locality and Care Planning teams is forecast to overspend by £0.1m as a project to deliver savings is behind schedule and is forecast to go live from April 2016.
- 4.4. The Intentionally Homeless service is forecast to overspend by £0.2m due to the increasing number of intentionally homeless referrals being received by Children's Social Care under Section 17 of the Children's Act 1989.
- 4.5. The No Recourse to Public Funds budget is forecasting an overspend of £0.4m and is due to the large increase in families being supported by Children's Social Care since 2014/15. The reason of the increase in the number of families presenting themselves as NRPF is also due to recent Government reforms in terms of welfare and immigration.
- 4.6. The remaining forecast overspends of £0.2m represents the risk associated with other savings targets.

Community Well Being

- 4.7. Within Community Well Being, the Temporary Accommodation budget is reporting a projected overspend for 2015/16 of £0.9m.
- 4.8. Across London there are significant pressures on Local Authority Temporary Accommodation budgets. Relatively speaking Brent is managing to contain the pressures – we are one of only four boroughs where the number of people in emergency accommodation (typically bed and breakfast) has declined since the beginning of the year.

- 4.9. However, it is unlikely, given the demand pressures that the remaining overspend will be significantly reduced before the year end despite the expenditure controls in place. New measures recently announced in the Welfare Bill and measures being trialed in advance of the new Housing Bill may further exacerbate the situation. In light of this, work is well underway on a Temporary Accommodation Reform Plan as part of the Outcome Based Reviews which will propose more radical solutions to addressing the apparently inexorable increase in demand.
- 4.10. The Brent START budget is forecast to be overspent by £0.1m. Performance against the Skills Funding Agency contract during the 2014/15 academic year was not been as strong as anticipated, leading to a potential claw back against the grant previously allocated.
- 4.11. Other department' expenditure are forecast to be managed within budget. There are, of course, over and under spends against individual budget lines, and any significant strategic risks that flow from this are set out in Appendix E.

5. Future Revenue Funding Position

Changes to financing assumptions since December

- 5.1. The provisional local government finance settlement was announced on 17 December 2015, with the final settlement is expected to be published by 11 February 2016 (although this is not guaranteed). Although officers and Members made representations to DCLG and to Ministers respectively it is, realistically, unlikely that the settlement will be amended to take account of these. The report to Cabinet for 14 December 2015 was therefore based on estimates of what would be contained within the settlement, and it is therefore necessary to update these assumptions in setting the final budget. The following section summarises these changes.
- 5.2. The local government settlement followed the announcement of the Autumn Statement and Spending Review 2015 on 25 November. Brent's core RSG figure was £56.0m which was £3.4m lower than the figure previously assumed. As part of the settlement the Government offered councils the option to take up a four-year funding settlement to 2019/20. Councils would be required to produce an efficiency plan but the details of this are not clear at this stage. For the purposes of this report officers have assumed that funding from 2017/18 to 2019/20 will be as set out in the draft four-year settlement, but the council is not bound to accept this. Once the detail on the process is published by DCLG Members will need to consider whether or not to accept the option.

- 5.3. A major element of the council's spend is on social care, and the council faces considerable demographic challenges: the Office for National Statistics projects that from 2015 to 2019 the number of over 75s in Brent will grow by nearly 8%; and the number of under 15s by 4.5%. This is much faster than the population as a whole, which is nonetheless forecast to grow by 3.5%. This growth, combining with other cost pressures, such as inflation and the desire to accommodate social value within council contracts, including the London living wage where possible mean that social care spending is increasing at a time when the council's funding is being reduced. Officers estimate that by 2020 over half of the council's budget will be spent on social care. As a significant but partial measure to help address this, the Government is giving authorities with social care responsibilities the flexibility to raise council tax in their area by up to 2% above the referendum threshold for each year between 2016/17 and 2019/20, to fund adult social care services. It is also providing £1.5 billion additional funding for local authorities to spend on adult social care by 2019/20, to be included in what DCLG describe as an improved Better Care Fund. The details of this change, however, are not yet clear.
- 5.4. The DCLG has announced a consultation on reforms to the New Homes Bonus, seeking views on the options for change to three aspects of the Bonus. These include reducing the overall costs of the scheme by reducing incentive payments from six years' Band D council tax to four, reform of the Bonus in order *"to better reflect local authorities' performance on housing growth"*, and options for staying within the funding envelope in the event of a sudden surge in housing growth. The Greater London Authority top slice of New Homes 2015/16 was intended as one year only, and is not included in the 2016/17 budget.
- 5.5. With NHB reducing, potentially as a first step to its gradual abolition, this budget proposes re-directing those resources received. NHB was always intended to finance capital investment to offset the impact of development. Continuing to use it to finance revenue expenditure is likely to store up cost pressures for future years and create a significant risk of cliff edge funding reductions in later years. This budget therefore proposes reallocating NHB to finance capital investment.
- 5.6. As part of the settlement a number of grants have been rolled into the revenue support grant including the care act, council tax freeze and a number of smaller grants. The position on a number of grants still remains unclear including the the DCLG element of the Housing Benefit and Council Tax Support Grant, which have provisionally been included in the budget at £0.5 million of income, the same as the 2015/16 budget and grant allocations..
- 5.7. The government restated its intention as outlined in the Spending Review to reform the business rates retention system and move to 100 per cent retention by 2020 with a consultation planned for Summer 2016. The specific consequences of this for Brent are as yet unclear. Officers will continue to

engage with sector representative bodies, like the LGA and London Councils, and with the DCLG to re-emphasise the point that as Brent's government grants exceed its total NDR tax take the re-distribution of funding will be key in order to ensure that this reform operates fairly.

- 5.8. Aside from these wider and long-term strategic considerations the council will also need to deal with the specifics of budget setting. Decisions of external bodies affect the budget process. Notifications from levying bodies, including the West London Waste Authority, are still awaited and will be included in the report to Council. The precept for the GLA is due to be confirmed by the Greater London Assembly on 22 February 2016.
- 5.9. The council's financial position has been set out in this report and Members are under a legal obligation to set a balanced budget. In doing so they are obliged, under normal administrative principles, to take into account the various relevant factors, particularly in respect of consultation and equalities. In doing so Members are, of course, entitled to exercise their political judgement, paying regard to the relevant factors rather than being absolutely determined by them.

Council Tax

- 5.10. On council tax the technical position is materially different to that last year. Then, and ever since 2010, DCLG has paid a "freeze grant" to incentivise councils to avoid increases to their council tax. Brent has taken advantage of this since 2010, and indeed has frozen its council tax since before then. Within this year's settlement is an explicit assumption in the funding formulae that councils will increase council tax. DCLG predicates future funding allocations based on an assessment of need, from which it deducts the assumed value of local taxation to arrive at the levels of RSG. As part of this it assumes that the general level of council tax will rise by 1.75% each year. In other words, councils' future grant levels will be reduced as though they had increased council tax, regardless of whether or not they do so.
- 5.11. It is clear that DCLG assumes that councils will increase their council tax and has specifically allowed for this in its funding calculations. As last year, the maximum amount that any council can raise its general rate of council tax by (but see below) is 2%, unless it undertakes a referendum. The DCLG's assumption of 1.75% appears to be either an average, presumably based on an assumption that most councils will increase council tax by 2% and a few will freeze it, or else linked to average CPI forecasts.
- 5.12. In addition, "upper tier" councils can increase council tax by a further 2%. An "upper tier" council is one that has social care responsibilities, and Brent therefore falls into this category. In order to exercise this flexibility councils must demonstrate that an amount equivalent to the additional council tax (£1.9m) has been allocated to adult social care. The current budget proposal meets this requirement by proposing adding an additional £3.2m to the budget

for the Community Well-Being department in recognition of demographic changes which are leading to growing demand for Adult Social Care. If the 2% additional council tax for this is not agreed then the budget for the department will need to be reduced by £1.9m.

- 5.13. The council therefore has the option of increasing its council tax by up to 4% (strictly speaking, by 3.99%). Exercising this option would generate additional income in 2016/17 of approximately £3.8m. This additional income would thereafter form part of the council's ongoing base budget, and would therefore be a direct reduction in the savings target.
- 5.14. Council tax comprises the Brent share and the "GLA precept", which is paid over to the Mayor of London. This latter element also includes the precept for the Olympics. The table below shows the respective shares in 2015/16 of a Band D council tax, and the expected total council tax in 2016/17, based on an increase of 3.99% in the Brent share and on the advertised (but not yet formally agreed) reduction of 6.4% in the GLA share and the removal of some of the Olympic precept. The overall impact will therefore be that council tax at Band D increases by £23.30 annually, or by £1.94 per month or by £0.45 per week.

	2015/16	2016/17	Change
	£	£	£
Brent share	1,058.94	1,101.24	42.30
GLA Precept	295.00	276.00	(19.00)
Total Band D council tax	1,353.94	1,377.24	23.30

- 5.15. Pensioners who receive council tax support will continue to receive a 100% reduction in council tax, and will be unaffected by the proposed increase. For the most financially vulnerable families the council tax support scheme will act as a significant mitigation to the impact of increased council tax, as they will only be required to pay 20% of the full bill, and so the cost of the increase will be £4.66, or £0.09p per week at Band D. Some families on low incomes will not receive support from the CTS scheme, although the scheme design ensures that many will receive partial support. The impact of the proposed increase on those who receive no support will be £0.45p per week at Band D.
- 5.16. Brent's council tax in 2015/16 is at the median level across London taken as a whole. However, looking only at other outer London boroughs it is currently the 4th lowest. Officers do not know what other councils will decide on council tax, except unless this is already a matter of public record. However, given the significant change in policy from DCLG it seems reasonable to assume that many authorities will now choose to increase their council tax.

- 5.17. Leading Members have balanced these factors, and ultimately exercised their political judgment in requesting that officers prepare the draft budget on the basis of a 3.99% increase in council tax.

6. Specific Issues for the 2016/17 revenue budget

Amendments to Savings from 2015/16 revenue budget

- 6.1. As part of the 2015/16 budget process Members agreed savings not only for 2015/16 but also for 2016/17 and some for future years. All these savings were consulted on widely last year through online consultation, Brent Connects and other public meetings and were discussed and considered in detail by Members. From this there are agreed savings of £23.4m for 2016/17 and these along with future year savings are outlined in Appendix D(ii).
- 6.2. Following on from last year's consultation the following savings relevant to 2016/17 have been revised subsequently:
- ENS018 – To transfer the management of libraries to a trust
 - ENS004 Proposal – To close the Welsh Harp Education Centre
 - ENS020 Proposal – To reduce the Tricycle Theatre budget

ENS018 Proposal

- 6.3. Proposal ENS018 was to transfer the management of the library service to an established trust (or conceivably a new model that would share similar features) with an associated saving of £0.16m. During 2015/16 this proposal was taken to Leading Members who indicated that, after further research and a feasibility study, service remodeling should not be taken forward. The saving expectation still stood and it is proposed the service will achieve a similar saving of £0.16m through management efficiencies in the Library, Arts and Heritage service.

ENS004 Proposal

- 6.4. The proposal ENS004 to close the Welsh Harp Education Centre has now been updated to reflect the proposed community asset transfer to Thames 21, a charity that delivers practical and engaging environmental activities that teach young people about the need to care for the natural environment. This successful outcome demonstrates the council's willingness to seek creative solutions to preserve services at lower direct cost to council taxpayers, whilst enhancing opportunities for residents.

ENS020 Proposal

- 6.5. Having reviewed the position in respect of the Tricycle Theatre, and listened to further representations made at Brent Connects and elsewhere Leading Members have also indicated that it would be undesirable to implement the full further £0.075m saving planned for the Tricycle Theatre, which would have reduced council funding for this to nil. A remaining budget of £0.05m is proposed to be retained.
- 6.6. New proposals for 2017/18 and 2018/19 were published at the Cabinet meeting of 14 December 2015. The results of consultation on these are set out elsewhere in this report. Only one proposal, reference MGF02, received significant adverse feedback. This proposal would have reduced the commissioning budgets for highways maintenance, in anticipation of contractual efficiencies. Given the feedback, this proposal is now proposed to be withdrawn; any contractual efficiencies achieved will be reinvested in additional highways maintenance services.

Growth Pressures

- 6.7. Total growth proposals of £9.0m have been funded within the 2016/17 budget. These are detailed in Appendix D(i) and are for items where costs are unavoidably increasing, or cabinet has approved changes to services, for example:
- £3.2m additional demand for home care and direct payments in respect of Adult Social Care due to increases in the population needing care, and increases in dementia, requiring additional care and other associated pressures;
 - £0.5m to ensure social workers are responsible for caseloads no greater than the levels set out in the OFSTED report, previously funded through reserves;
 - £0.8m for the Employment, Skills and Enterprise Strategy 2015-20 agreed by Cabinet in April 2015;
 - £2.6m for pay and national insurance increases.
- 6.8. In addition a further £1.5m has been included for inflation of which £0.8m is for prices inflation in contracts, and £0.7m for pensions.
- 6.9. There is a risk that savings may be delayed, creating overspends, and the council may wish to consider social value when awarding some contracts. A provision of £2.5m has included within the budget to meet these pressures and any new pressures that may arise during the year. The need for this was highlighted in the October Cabinet report.

Central Items

- 6.10. Central items are items not included in individual service cash limits. They represent items of expenditure that cannot naturally be managed within

departmental budgets. Major items are Capital Financing Charges (to pay for previous years' capital programmes), levies from other public sector bodies (such as the West London Waste Authority), premature retirement compensation, and the Insurance Fund. The total budget for central items is £42.5m in 2016/17, an increase of £0.5m from 2015/16, principally due to additional residual pension contributions and increases in levies. Further details of the items are included in Appendix G.

HRA Budget

- 6.11. The detailed HRA budget is set out in a separate report to the Cabinet. The proposals reflect an overall rent reduction of 1% as required by the Welfare and Reform Bill 2015. The Bill sets out the government's policy for social housing rents, which in its current form requires Registered Providers of social housing to reduce rents by 1% per year, for four years with effect from April 2016. The effect of this on the HRA operating account and the Capital requirement sees a 1% decrease in rents, resulting in a £0.5m reduction from 2016/17 and a total loss in income to the HRA over four years of over £2m. The separate report on this agenda sets out how this significant pressure is being managed.

Schools Revenue Budget

- 6.12. The Schools Budget is funded directly from a Dedicated Schools' Grant (DSG) which is ring-fenced and does not appear as part of the Council's overall budget requirement. Schools are also allowed to build reasonable levels of reserves which are also ring-fenced.
- 6.13. As at 31 March 2015, Brent's maintained schools held £21.6m in balances, one of the highest figures in London.
- 6.14. DSG funding is currently estimated to increase for 2016/17. This follows the pattern of previous years, where schools have received funding increases significantly above the levels faced by local authorities. However, in 2016/17 the difference is less significant, with school funding increasing from £298.4m to £298.9m.
- 6.15. Cabinet approved the provisional budget in December 2015 following consultation with Schools forum.

7. New Revenue Saving Proposals

Summary

- 7.1. During 2015/16 further saving proposals have been developed and consulted on, (see section nine for details of consultation). These are summarised in three themes as per the table below:

Budget Theme	2017/2018	2018/2019	Total
	£m	£m	£m
Driving Organisational Efficiency	2.4	2.4	4.8
Civic Enterprise	3.5	2.2	5.7
Making Our Money Go Further	3.7	4.6	8.3
TOTAL	9.6	9.2	18.8

- 7.2. These proposals focus on making the council operate more efficiently. Key themes are:

- increasing income generated by the council;
- better debt collection;
- saving money on procurement by the council;
- streamlining the way key services operate; and
- back office and management savings.

This emphasis on efficient operation is proposed so that Brent Council can maintain its services at a time when it has significant challenges with funding being reduced, and with considerable growth in demand for key services, like social care.

- 7.3. These items are detailed fully in Appendix D(iii) and the major schemes involved are summarised below.

Driving Organisational Efficiency

- 7.4. The council is committed to reducing its back office operating and other overhead costs. Even after the impact of substantial austerity measures since 2010 the council remains a large organisation, employing over 2,000 FTE staff and delivering services, directly or via contracts and other partnership arrangements to thousands of the most vulnerable residents and universal services for all. There will always be a need for senior management positions to co-ordinate delivery of this complex range of services, and professional support staff to protect the council's interests.

- 7.5. Nonetheless, a significant focus since 2010 has been on reducing these costs and driving organisational efficiency. The council's former estate of over a

dozen administrative offices has largely been consolidated into a single site, the Brent Civic Centre, significantly reducing costs. Management structures have been reconfigured more than once, with the number of second and third tier Directors and service heads greatly reduced, and in 2015/16 and 2016/17 alone back office costs were agreed to be reduced by a further 40%. It would not have been possible to complete all of these changes in one stroke: nor does the council intend to cease searching for further reductions in management and overhead costs. Where possible front-line interfaces with service users are also being re-engineered, for example to enhance the options for digital self-service, enabling those who can to experience a more convenient and faster service, at reduced cost for the council.

- 7.6. Savings under this heading of 'Driving Organisational Efficiency' are proposed to save £4.8m. Transformation of the design and delivery of early help will streamline services, focusing on a one family, one worker approach to help build resilience and independence, saving £0.9m. Reviewing staff structures and spans of control across Community Services will save £2.3m. Reviewing support service costs: HR, legal, IT, business support and finance for greater efficiency will save £1m. Other savings totalling £0.6m are shown in Appendix D(iii).

Civic Enterprise

- 7.7. The council needs imaginative responses to the ongoing austerity agenda. Overheads can always be squeezed further, but the scope for further significant savings is falling, and deleting the entire back office, which would patently be unfeasible, would still only make a partial contribution to the total savings requirements. Through leveraging better value from our assets, human, physical and social, and by adopting a more commercial approach, tempered by the council's sense of civic values, it is anticipated that significant additional revenue can be achieved, reducing the need for reductions in other services.
- 7.8. A fuller 'civic enterprise' strategy will be set out subsequently, but key emerging themes as they impact the budget now proposed are set out below.
- 7.9. Civic Enterprise proposals are anticipated to save £5.7m. Major elements of this are increasing income generation with a variety of schemes (£2.5m); better collection of debts and arrears (£1m), Additional Continuing Health Care (CHC) Funding from the CCG (£0.8m), IT sales (£0.7m), review of additional overhead charges on the SERCO contract (£0.3m), and additional Civic Centre rental income (£0.3m).

Making Our Money Go Further

- 7.10. Procurement efficiencies and improved value for money are anticipated to save £8.3m. Contract renewal savings account for £8m of this, it is proposed to target a 10% cost reduction in the contracts renewed over the next three years. The remainder is specific savings on the FM contract.
- 7.11. In addition, the council is developing an innovative approach to outcome based budgeting, focusing on three major reviews of key themes to draw together different strands of work with a revised focus on collective outcomes and cost efficiencies and transformation. These are set out below.
- 7.12. The council will undertake three wide ranging outcome based reviews (OBRs) which will develop radical solutions for delivering better, sustainable service models and outcomes for:
- Employment Support and Welfare Reform;
 - Housing Vulnerable People; and
 - Regeneration (Physical, Social and Environmental).
- 7.13. Each OBR will be overseen by a Member group consisting of the Leader, Deputy Leader, relevant Cabinet members, Scrutiny members and back bench members. The reviews will be led by a Strategic Director with cross council representation on each review board. The methodology used will exemplify leading edge principles of service design and innovation using the 'Discover, Define, Develop and Deliver' model and will be supported by external challenge from a design and innovation partner.

8. Equalities Implications

- 8.1. Brent council values diversity, and considers it as an important part of policy making. This is not just about addressing inequality, important though that is; it is also about ensuring that the strength in the diversity of the borough's communities and council's workforce is realised.
- 8.2. Under the Public Sector Equality Duty (PSED) in the Equality Act 2010, Brent Council is required to pay due regard to the need to eliminate unlawful discrimination, advance equality of opportunity and foster good relations between different protected groups when making decisions. The groups protected by law, also known as protected characteristics, are age, disability, gender, race, religion or belief, pregnancy and maternity, marriage and civil partnership, sexual orientation and gender reassignment. Although socio-economic status (people on low income, young and adult carers, part-time workers, people living in deprived areas, groups suffering multiple disadvantage, etc) is not a characteristic protected by the Equality Act 2010, Brent Council is committed to considering the impact of vulnerable groups not covered within the other protected characteristics, ensuring that they are not disproportionately affected by its proposals. The Council also monitors any

cumulative impact arising of its budget proposals to help inform decision-making.

- 8.3. 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 considers the diverse needs of all our local communities and workforce. Consideration of the duty should precede and inform decision making. It is important that decision makers have regard to the statutory grounds in the light of all available material, including relevant equality analysis and consultation findings. If there are significant negative equality impacts arising from a specific proposal, then decision makers may decide to amend, defer for further consideration or reject a proposal after balancing all of the information available to them.
- 8.4. Members are reminded that the budget can be described as a financial plan of the Council's current operational intent. Where known, the equality impact of change must be disclosed. In March 2015 Full Council agreed its budget for 2015-16, and also approved a number of other proposals to be built into the budget from 2016/17. These proposals went through extensive consultation and were subject to full Equality Analyses (EA).
- 8.5. The new saving proposals for 2017/18 and 2018/19 are set out in Appendix D(iii). All saving proposals have been subject to the Council's EA screening process to assess their potential/likely impact, if any, on service users with protected characteristics. A full
- 8.6. However, Officers' preliminary assessments conclude that the impact of adopting these proposals on front-line services or vulnerable groups would be relatively minor, certainly in comparison to some of the more drastic proposals that other councils are being forced to consider. This is not to imply that there would not be any negative impact on service users, if the proposals are approved, but it is nonetheless the case that the new proposals set out in this report do not include the wholesale cuts to services that many councils are considering and indeed implementing. Having confronted difficult decisions early in the financial planning cycle the Council is now able to build into its financial plans the benefits of significant efficiency gains via the following three strands:

Driving Organisational Efficiency

- 8.7. Driving Organisational Efficiency is proposed to save £4.8m. Transformation of the design and delivery of Early Help will streamline Early Help, focusing on a one family, one worker approach to help build resilience and independence, saving £0.9m. Reviewing staff structures and spans of control across Community Services will save £2.3m. Reviewing support service costs: HR, legal, IT, business support and finance for greater efficiency will save £1m.

Other savings totaling £0.6m are shown in Appendix D(iii). Service user and staff consultation will of course be essential to shape the detailed plans of how to achieve these savings, but the current expectation is that they will not impact significantly on the delivery of front-line services.

- 8.8. Many of the proposals will have an impact on staff, especially where the majority of the saving proposals are made up of staffing costs. Given the scale of staffing reductions, there is potential for these proposals to have a significant impact on the workforce, particularly in Community Services and Resources. The majority of the workforce is from ethnic minority groups (broadly reflecting the ethnic profile of the Borough); there are also some services that due to their nature consist of predominantly female or male members of staff, and it is important that changes are not disproportionate in terms of their impact. Brent's Managing Change Policy and Procedure provides a framework to be followed during times of organisational change to minimise the risk of a negative impact on any equality groups. The Managing Change Policy requires that staffing changes undergo EA to ensure that the restructure process is conducted in a fair, transparent and non-discriminatory manner.

Civic Enterprise

- 8.9. Civic Enterprise is proposed to save £5.7m. Major elements of this are increasing income generation with a variety of schemes (£2.5m); better collection of debts and arrears (£1m), Additional Continuing Health Care (CHC) Funding from the CCG (£0.8m), IT sales (£0.7m), review of additional overhead charges on the SERCO contract (£0.3m), and additional Civic Centre rental income (£0.3m).
- 8.10. The Council is looking to improve its approach to managing debts owed to it building on the successful pilot in Adult Social Care, which has improved collection rates without presenting unreasonable demands to residents. This work will be carried out in the context of Brent's Financial Inclusion strategy to ensure that vulnerable residents are properly supported.
- 8.11. Where appropriate, the Council might also consider reviewing charging regimes for paid services that more realistically reflect the true economic/market cost of providing the service. At this stage, approval is being sought to consult on the principle of achieving this level of income across a range of paid for services, from 2017/18 onwards. Once detailed proposals for individual pricing regimes are developed, further specific consultations and EAs will be carried out, where necessary.

Making Our Money Go Further

- 8.12. Value for money is proposed to save £8.3m. The significant majority (£8m) is anticipated to be achieved through the re-procurement of a variety of contracts over the next three years by applying 10 per cent savings target against current contract prices. There will be some contracts where this will not be achievable for justifiable reasons, for example Adult Social Care related contracts. Work will be ongoing with departments in advance of contract renewals to ensure that the negative impact on services users with protected characteristics is minimised and the positive outcomes are optimised.
- 8.13. The Council might also need to review its approach to planned and reactive maintenance of its infrastructure (roads and pavements), and will need to look at its criteria and priorities to ensure that Brent's main thoroughfares and town centres are properly maintained. Detailed consideration of the current state of the highways and pavements will inform future plans to ensure that the impact on residents/pedestrians (particularly the most vulnerable groups such as young children and their parents, older adults and disabled residents), cyclists and motorists is kept to a minimum.

Council Tax

- 8.14. The Council could choose to increase Council Tax in order to generate additional revenue and thereby reduce the financial pressure and adverse impact on services such as Adult Social Care, which is what officers are proposing.
- 8.15. This year's proposal on Council Tax would be the first rise after six consecutive years of Council Tax freeze. The proposal is that Council Tax is increased by 3.99% from its 2015/16 level, of which 1.99% to be used for general usage, and 2% to be dedicated to meet demographic pressures in Adult Social Care. If the 2% additional Council Tax for Adult Social Care is not agreed, then the budget for Adult Social Care will only be increased by £1.3m (instead of by £3.2m), which could pose challenges to the service to meet growing demand of current and future service users.
- 8.16. If the above proposal is approved, the budget of Adult Social Care services will be increased by further £1.9m (from £1.3m to £3.2m) which will have a positive impact on some of the most vulnerable members of Brent's community, who need to access Adult Social Care services. Groups that require most Adult Social Care services include: older adults, particularly women who have longer life expectancy, but are also more likely to have caring responsibilities; and disabled people.
- 8.17. This will mean, however, that for those households who do not receive any Council Tax support (CTS) the Council Tax for a Band D property will increase

by £23.30 annually, or by £1.94 per month, or by £0.45 per week. Pensioners and disabled residents in receipt of full CTS will continue to receive a 100% reduction in Council Tax, and will be unaffected by the proposed increase. The working age households in receipt of CTS will only be required to pay 20% of the full bill, and so the cost of the increase will be £4.66, or £0.09p per week at Band D.

- 8.18. This paper is produced ahead of the close of the budget consultation and Brent Connect meetings. At this stage of the budget planning process delivery services have conducted their preliminary EAs (subject to comments through consultation). The final proposals will be put to the February 2016 meeting/s, and will be informed by the budget consultation findings and, where relevant, full EAs so that Members can make informed decisions on whether to adopt, amend or reject these. Where it is not possible at this stage to fully assess the impact from individual proposals, these will be subject to separate decisions informed by a full EA prior to implementation.

9. Consultation

- 9.1. The council recognises consultation as a key part of policy formulation, and makes considerable effort to ensure that the views of residents and other groups are taken into account. The Council has consulted on the budget options in a variety of ways. Legally, the results of consultation are something that Members must have due regard to in making budget decisions. However, consultation need not legally be the single or even most significant determining factor in choosing between difficult options, although at Brent considerable emphasis is usually placed on the results of consultation.
- 9.2. The results of different forms of consultation cannot simply be evaluated against one another. It is not possible to state on an entirely objective basis, for example, whether the number of written representations made against a particular proposal should have greater or lesser weight in the decision making than the objections made verbally by groups of service users at a Brent Connects meeting. Members must use their judgement in assessing these various factors in order to help make choices about the budget.
- 9.3. The Scrutiny Committee has reviewed these proposals through its budget panel and also the process through which they were developed. Its report is attached in full at Appendix F.
- 9.4. The council has consulted on the budget Discussions with the Leader and deputy Leader at all the Brent Connects Forums, responses collected online and by post on the specific budget proposals. Two public debates on the budget with the Leader and Deputy Leader were held during January 2016.

Key messages from the public consultation.

- 9.5. A summary will be dispatched after all of the Brent Connects meetings have concluded.

Summary of Public Responses to Budget Consultation - February 2016

- 9.6. At as 25 January three written responses had been received to the public consultations. In summary, no one commented on the proposed savings options for 2017/18 and 2018/19. All three listed different council services that they thought should be protected from further cuts.

Summary of Issues Raised at Brent Connects Meetings

- 9.7. Five Brent Connects meetings are to be held between 12 January 2016 and 3 February 2016. The Leader of the Council delivered a presentation outlining the financial position and the difficult budget choices faced by the Council. Two public meetings were also held. A summary of the issues raised at these meetings will be given at the meeting, and a summary will be dispatched after all of the Brent Connects meetings have concluded.
- 9.8. There no comments as yet from other organisations and individuals that have also written to the council.

10. FINANCIAL IMPLICATIONS

Risks

- 10.1. Officers have carried out an assessment of potential risks as part of the budget process. This helps the council set an appropriate level of balances and also ensures that risks can be monitored and managed effectively. The detailed assessment is set out in Appendix E which also contains the Chief Finance Officer's commentary on the adequacy of the budget calculation and the level of balances as required by Section 25 of the 2003 Local Government Act.

Balances and Earmarked Reserves and Provisions

- 10.2. As set out in section four, it is expected that expenditure against the overall 2015/16 budgets will be managed within cash limits. It follows from this that the general reserve of £12m will be maintained at its current level, and as set out in appendix E there is no need to amend this figure.

- 10.3. Councils need balances to deal with unexpected events without disrupting service delivery. The level of risk that a council assesses it faces is therefore the minimum level at which balances should be maintained.
- 10.4. Balances also contribute to effective medium term financial planning. They allow councils to adjust to changes in spending requirements over a period of time, and to take a more flexible approach to the annual budget cycle, for example through *invest to save* schemes. This flexibility needs to be considered each year depending on the particular pressures facing the council and the outlook in the medium term.
- 10.5. Balances can be used only once. It is not financially sustainable to plan to keep using reserves to balance the budget, but using them to meet temporary funding shortfalls or to pump prime investments that will in time be self-financing can be an important part of a sound medium term strategy. The budget proposed for 2016/17 would leave general unallocated balances at the end of the year at or slightly above the minimum level recommended by the Chief Finance Officer. It should be noted that Brent's level of balances, as a proportion of budget requirement, is currently one of the lowest in London.
- 10.6. The list of current earmarked reserves and provisions, in accordance with Part A of the Council's Scheme of Transfers and Virements, is set out in Appendix N.

11. LEGAL IMPLICATIONS

- 11.1. These are set out in Appendix M.

12. STAFFING IMPLICATIONS

- 12.1. The impact of the budget proposals is outlined in Appendix D(ii) and D(iii). Of the proposals identified within this appendix there are a number where there will be a significant impact on staffing and potentially in excess of twenty staff subject to redundancy. In instances where individual restructurings are likely to bring about redundancies in excess of twenty it is necessary for Cabinet to approve them. The following are highlighted as having the most significant impact on staffing. In agreeing these proposals Cabinet is meeting its obligations to approve individual restructurings which may result in excess of twenty redundancies.

Three savings from the 2015/16 budget in Appendix D(ii) that risked twenty or more redundancies are now complete, or expected to be complete by the end of the current financial year:

- F&IT2&5 Finance Reorganisation
- HR1 Reconfiguration of Human Resources
- HR2 Reorganisation of BIBS

One saving from the 2015/16 budget in Appendix D(ii) that may result in twenty or more redundancies in 2016/17 is:

- CYP3 Youth Services

Three savings new to the 2016/17 budget proposal detailed in Appendix D(ii) may result in twenty or more redundancies.

- DOE002a Transformation of the design and delivery of early help
- DOE003 Review Community Services Division
- DOE004 Review all Support Services

12.2. The Council will apply its Managing Change Policy and Procedure in the application of all restructuring arrangements which have an impact on staff, consulting with staff and trade union representatives accordingly.

13. The Council's Revenue Budget and calculation of council tax

13.1. If the proposals outlined above and detailed in the appendices are adopted, then the council's revenue budget would be as set out below:

	2015/16	2016 /17	2017/18	2018/19
	£'m	£'m	£'m	£'m
Service Budgets	235.7	215.6	219.2	223.0
Central Items	42.0	42.5	43.5	44.8
Centrally held government grants	(28.3)	(29.1)	(28.6)	(27.9)
Growth and inflation	0.6	10.5	21.0	31.5
Community Access Strategy	0.0	(1.5)	(1.5)	(1.5)
Contingency and social value	0.0	2.5	2.5	2.5
Cumulative Savings agreed Budget 2015/16	Included in above numbers	Included in above numbers	(4.3)	(5.9)
Cumulative Savings proposed this budget	n/a	Included in above numbers	(9.5)	(18.8)
Cumulative Unidentified Savings	0.0	0.0	(8.7)	(16.4)
Net Expenditure Budget	250.0	240.5	233.6	231.3
Funded by:				

Revenue Support Grant	69.9	56.0	42.7	33.7
Business Rates - Retained Income	34.0	34.9	36.1	37.2
Business Rates - Top Up	48.3	48.8	49.7	50.7
Council Tax	87.7	98.3	102.9	107.7
Collection Fund Surplus	3.9	2.5	2.2	2.0
New Homes Bonus & Council Tax freeze grant	6.2	0.0	0.0	0.0
Net Income Budget	250.0	240.5	233.6	231.3
Total Budget	0.0	0.0	0.0	0.0

13.2. As can be clearly seen from the above table, these proposals result in a balanced budget with expenditure balanced by income. Between 2017/18 and 2018/19 there is another £16.4m to find.

Calculating the Council Tax Level

13.3. The calculation of the council tax for Brent services is set out in the table below. The calculation involves deducting core government grants and retained business rates from Brent's budget, deducting the surplus on the Collection Fund, and dividing by the tax base.

Calculation of Brent's Council Tax for 2016/17

	£m
Proposed Brent budget	240.483
Less Revenue Support Grant	(56.000)
Less Retained Business Rates (net of appeals provision)	(34.942)
Less Business Rates Top up	(48.748)
Less Net Surplus on Collection Fund	(2.503)
Total to be met from Council Tax for Brent Budget	98.290

Tax Base (Adjusted Band D equivalents)	89,254
Band D Council Tax (£)	£1,101.24

Greater London Authority (GLA)

- 13.4. Each financial year, the Mayor and London Assembly must prepare and approve a budget for each of the constituent bodies and a consolidated budget for the authority as a whole.
- 13.5. The Mayor's initial budget is based on a precept at Band D is £276.00 for 2016/17. This represents a reduction of £19.00 or 6.4%. These figures are subject to final confirmation, of this reduction £12 is a result of the reduction in the Olympic precept, £3 is due to an increase in Band D properties in London, and the remaining £4 is due to a variety of other factors.

Setting the Tax

- 13.6. The council is required to make certain calculations under sections 30, 33, 34 and 36 of the Local Government Finance Act 1992. These calculations are:
- The basic amount of council tax for both Brent Council and the GLA;
 - The basic amount of council tax for each valuation band for both Brent and the GLA;
 - The aggregate amount of council tax for each valuation band, which includes the basic amount for Brent and the GLA.
- 13.7. In accordance with these requirements, Members are asked to agree the calculations set out in the recommendations.
- 13.8. Any amendments agreed to the budget will require a recalculation to be undertaken.

14. The capital programme and investment strategy

Introduction

- 14.1. The council has historically managed its capital programme largely by rolling forward allocations from one year to the next. For some major corporate schemes, such as the building of the civic centre, the school building programme and the South Kilburn regeneration programme a longer-term and more wholistic approach has been adopted, but even in these cases the links

to the wider budget strategy have not been drawn as closely as they might have been.

- 14.2. This is by no means an unusual situation for a local authority, and the approach has clearly been successful in delivering agreed key corporate outcomes. Since 2013 the council's focus has, rightly, been on addressing the pressures within the revenue budget arising from the significant reductions in government funding. This strategic approach has yielded results. The council is now in the position of being able to set its revenue budget for 2016/17 largely on the basis of proposals that were consulted on and agreed in March 2015. This report does not bring forward sufficient proposals to balance, if agreed, the revenue budget for 2017/18 and 2018/19. However, it does set out proposals that, if agreed, would very significantly reduce the budget gap for those years.
- 14.3. From this strong revenue position it is now appropriate that the council should consider how to leverage the value from its strong balance sheet and, where necessary, utilise borrowing powers, in order to effect further transformative change to the fabric of the borough, the nature of services provided and to the overall financial position.

The 2015/16 Capital Programme

- 14.4. The council is not alone in having challenges to meet in delivery of its capital programme. At the start of 2015/16, the capital programme budget was £199.0m, but the latest forecasts are that actual spend in the year for these items will only be £103.6m. In order to reduce problems with slippage in the future, £66.2m has been rephased into 2017/18, with only £29.2m rephased into next year, 2016/17. In some cases capital programmes can be delayed due to practical 'on the ground' issues, but experience at other organisations shows that overly optimistic programmes can also be a concern. Better planning and then delivery of capital spend will be essential to match borrowing and treasury management activity to expenditure, in order to optimise the use of any temporary cash balances.
- 14.5. Details of the main areas of slippage are:
- School Expansion Schemes have been re-profiled into future years to reflect revised completion dates for the Phase Three Primary schemes which have been delayed through the design stage. Future expansions as per the School Place Planning Strategy have also been included. Any further delays to these schemes risk children being accommodated in temporary places rather than permanent places in the borough's schools.

The South Kilburn Regeneration programme has slipped behind schedule in 2015/16. There is a masterplan review of South Kilburn Regeneration; this means it is being fundamentally reviewed to determine how best to

deliver the programme and realise benefits of regeneration for South Kilburn and for its businesses and residents. This review will reconsider the fundamental approach, including whether it is better for the council to retain the South Kilburn Housing Assets, or continue to dispose of them.

- The HRA Major Repairs & Improvements budget is expected to underspend significantly, this is due to delays in stock investment works on site.
- There has been some slippage in the first phase of HRA-funded new-build development, but the schemes within the programme, which is supported by GLA grant will substantially be starting on site in 2016/17. A second phase of development is also planned for completion by March 2018 and it is expected that this phase will also be supported by GLA grant. A programme of acquisitions part-funded by right to buy replacement receipts, supported by HRA borrowing has been agreed by Cabinet and the first acquisitions are expected to be made in 15/16 with further acquisitions in the first half of 16/17. If these do not proceed as planned there is a risk that some of the right to buy replacement receipts will be payable to Government.

14.6. The table below shows the 2015/16 forecast against budget.

Service Area	2015/16 Revised Budget £m	2015/16 Forecast Outturn £m	Forecast Variance £m
Adult Services	2.2	0.0	(2.2)
Children and Young People	0.2	0.2	0.0
Chief Operating Officer			
Communications	0.5	0.5	0.0
Culture & Heritage	2.4	2.1	(0.3)
Recycling & Waste/Public Realm	0.2	0.0	(0.2)
Parking & Street Lighting	0.0	1.6	1.6
Transportation - General Fund	4.5	4.6	0.1
Transportation - TfL	3.8	5.8	2.0
Regeneration & Growth			
Regulatory Services	0.1	0.3	0.2
School Expansion Schemes	71.9	21.6	(50.2)
South Kilburn Regeneration	24.4	6.6	(17.8)
Private Housing	5.9	4.9	(1.0)
New Accommodation for Independent Living	5.3	0.2	(5.1)
The Library at Willesden Green	9.7	9.7	0.0
Schools (Non Expansions)	6.1	3.5	(2.6)

Strategic Property	5.2	3.6	(1.6)
Affordable Housing	1.5	0.5	(1.0)
Facilities Management	1.7	0.9	(0.8)
Planning, Landscaping and Major Projects	1.6	1.8	0.2
Regeneration & Growth (HRA)			
Affordable Housing	7.1	3.8	(3.4)
Major Repairs & Improvements	44.7	30.2	(14.6)
Total	199.0	102.2	(96.8)

- 14.7. Given that the council is now using its capital programme in innovative ways to reduce revenue costs, and help maintain and improve council services, the financial risks to the council of slippage are increasing. This is because more programme are self-financing; this means that they deliver more savings to the council than the cost of financing them. These savings from self-financing schemes help balance the revenue budget without cutting services. This is in contrast to the past, where typically slippage on capital reduced revenue expenditure on capital financing costs as less money had to be borrowed, without any additional costs. To give a specific example, if the New Accommodation for Independent Living scheme slips, then savings on Adult Social Care will be delayed, and the savings exceed the capital financing cost of the project, so a significant delay would increase revenue expenditure.

The 2016/17 to 2019/20 Capital Programme

- 14.8. The table below summarises the capital programme as agreed in March 2015, including monies carried forward from the previous year. It then sets out:
- a) Those cases where the timing of the practical delivery of schemes is now expected to be different to that anticipated when the budget was set, and hence also shows the re-profiling of the capital programme required to reflect this. By definition these changes do not alter the total amount of capital allocated, merely the timing of anticipated delivery.
 - b) Those cases where a longer-term approach to the planning of existing schemes can now be accommodated in the programme as a result of detailed work. These items will reflect additional total planned capital expenditure to that formally budgeted for in March 2015, but no net increase in planned expenditure funded by taxpayers. This is because the expenditure is matched by additional anticipated resources by HRA, savings in expenditure, or from external sources, such as grants or private developers (see below). These items are, in effect, a formal extension of existing assumptions about schemes into the capital

programme rather than proposed changes to policy. These budgets align future years of the capital programme with the project proposals already reviewed by Cabinet. These are:

- £18.6m for Primary and Secondary school expansion, in the previous year's capital programme, not all the government allocated to school expansions had been included as the grant would be received/utilised after the end of the previous year's capital programme. This capital programme shows this funds, these funds have previously been reported to Cabinet on 16 November 2015.
 - £1.2m for Contingencies on the Primary and Secondary school expansion, this is also funded by additional basic need grant not previously included in the capital programme
 - £1.6m for New Accommodation for Independent Living, this will be financed from the future income stream generated by the new accommodation.
 - £94.1m for the HRA covering both works to the current HRA housing stock, and additional affordable housing. This is funded by resources from within the HRA and will have no impact on council tax.
 - £2m for works funded by Transport for London
 - £3.8m for section 106 allocations in 2016-17
- c) Those cases where budget has not been allocated to specific capital schemes have been removed from the capital programme, principally this is to enhance control by both officers and members of how capital programme monies are utilised. The vast majority of this line (£19.4m) relates to school expansion schemes, where options are being explored for how best to utilize the available grant funding. £5.4m is unallocated section 106 funding. The remainder is various reductions in smaller programmes. Other specific schemes will be financed as they are brought forward. To enhance control of the capital programme by both officers and members, in future specific schemes will be reviewed in detail by a Capital Investment Panel, consisting of senior officers, before review by Cabinet.
- d) Those cases where, since March 2015, Cabinet has authorised additional expenditure through specific decisions, which now needs to be formally reflected into the capital programme.

- e) This brings the capital programme up to date. A series of further proposals are then set out for consideration. These reflect the work done at officer level through the capital investment panel to identify urgent needs to be addressed or important capital projects to help deliver revenue savings built into the budget proposals. These are:
- Three new self-financing schemes are proposed, and either be financed from savings on revenue expenditure, or future capital receipts. By reducing the council's costs these are planned to help the council to maintain its services despite pressures on the revenue budget:
 - A new element of the NAIL scheme to help control Adult Social Care costs budgeted at £3.5m
 - £1.3m for advance acquisitions for South Kilburn Regeneration
 - Feasibility work of £0.4m on two schemes to control the council's revenue costs:
 - London Road Temporary Accommodation, and
 - Knowles House Combined Temporary Accommodation & NAIL Scheme
 - To invest £0.2m of existing capital resources to address three sets of urgent problems:
 - works on the council's allotments, as a prelude to wider work to identify the best way to optimise the use of this important community asset in the future;
 - to deliver required condition works to footpaths in the Wembley area; and
 - to introduce traffic calming measures around the vicinity of the Ace Café to address dangerous driving and anti-social behaviour issues.

Whilst costing £0.2m, these last three items have zero net impact on the council's capital programme as they are funded from existing budget that was not allocated to specific schemes.

- 14.9. Existing budget elements in the capital programme for contingencies and staffing costs have been moved to a separate line. This serves two purposes: first, to separate external costs, e.g. building construction from internal costs,

and second to more clearly show when a programme line utilises contingency funding. As shown in Appendix J(i) this has zero net impact on the budget.

14.10. A summary of the changes to the capital programme is below. Appendix J(i) details these changes and the capital programme in full.

	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	Total £m
Original budget - March 2015	179.8	74.4	0.0	0.0	0.0	254.2
Carry Forward from 2014/15	19.2	0.0	0.0	0.0	0.0	19.2
Amended Original Budget	199.0	74.4	0.0	0.0	0.0	273.4
a) Re-Phasing Adjustments:						
General Fund	(77.5)	11.3	66.2	0.0	0.0	0.0
HRA	(17.9)	17.9	0.0	0.0	0.0	0.0
Re-Phased Amended Original Budget	103.6	103.6	66.2	0.0	0.0	273.4
b) Ongoing Programmes of Work not included in previous budget forecast:	2.0	54.6	43.3	16.0	5.4	121.3
c) Reduced Requirement for Budgetary Provision	(6.4)	(5.8)	(14.9)	0.0	0.0	(27.1)
d) Additional Schemes Approved by Cabinet	2.5	7.0	4.1	4.1	0.0	9.5
e) Additional Schemes Not Previously Agreed by Cabinet	0.5	3.4	1.3	0.0	0.0	5.2
Revised Budget March 2016	102.2	162.8	100.0	20.1	5.4	390.5

Full details of these movements is shown in Appendix J(i).

Future investment strategy

14.11. Capital investment can be financed in a variety of ways. For the council the main sources are government grants, other external contributions, s106 and CIL receipts and council contributions, whether by way of borrowing or direct revenue contributions.

14.12. To date the council has relied extensively on debt financing – borrowing – to fund its capital programme. This has ensured that assets have, on the whole, been maintained in their existing condition, but it has not been a strategic approach and continuing it indefinitely would give rise to issues of affordability in the longer-term. This is because the borrowing has not been linked to specific service or financial targets, with the result that the council's debt

financing costs have been gradually edging upwards, without compensating savings specifically linked to the investment.

- 14.13. It is for this reason that officers and Members have begun developing an investment strategy which will be designed to integrate the revenue and capital budget and to address major service and financial pressures. It is intended to bring this for approval in the early part of the 2016/17 financial year.
- 14.14. Given the extraordinary pressures faced by the council it may well be appropriate that this investment strategy proposes entering into very significant new borrowing sums. As one simple illustration of this, it is well known that the council, in common with most other London boroughs, faces extraordinary housing pressures and associated costs. Investing in new housing stock, whether in the borough or outside, might be one feasible way of addressing the need whilst cutting costs, in an extremely challenging scenario where the operation of market forces is simply pricing many families out of the borough. Self-evidently, given property prices in the borough and in surrounding areas, any investment to address housing need would need to be measured in at least the tens of millions, very possibly more, in order to have any material impact.
- 14.15. The emerging investment strategy will need to consider housing need and a range of other pressures arising from a lack of previous capital investment. Roads and highways will be one area requiring significant focus, as will many other areas of the council's budget. It would not be appropriate to set a budget at this point in time that did not recognise the pressing need to address these concerns, but equally it is not yet possible to specify the precise content of the investment strategy which is in development.
- 14.16. Any borrowing entered into must meet the tests set out in the CIPFA Prudential Code, specifically that they are prudent, affordable and sustainable. This will require detailed scrutiny of business cases to ensure that they cover all material risks and opportunities, to ensure that any borrowing that is ultimately entered into is only done when officers and Members are satisfied that appropriate provision has been made to ensure that the interest costs can be serviced and the principal ultimately repaid.
- 14.17. Appendix L sets out the council's prudential indicators. It is important to stress that the authorised limit – the maximum amount that the council may borrow – has for a number of years been set some £300m above the level of actual borrowing. This merely follows from the strength of the council's balance sheet, as it is a calculation largely prescribed by statute and regulation. There are options that the council could choose to exercise to extend this limit within regulation, although it is not proposed to exercise any of these by way of this report.

14.18. However, in order to facilitate delivery of the investment strategy, once approved, it is proposed to establish an enabling provision of £150m at this stage for delivery. No commitments will be entered into against this provision without explicit authority from subsequent Cabinet meetings. The purpose of establishing the enabling provision is merely to ensure that the budget and policy framework entered into reflects the developing policy agenda

15. BACKGROUND INFORMATION

Budget Strategy and Financing Update – Report to Cabinet on 19 October 2015

First Reading debate on the Budget – Report to Council on 23 November 2015.

Budget 2015/16 and 2016/17 – Report to Cabinet on 15 December 2014

Collection Fund Report – Report to Cabinet on 14 December 2015.

Calculation of Council Tax Base 2016/17 – Reports to General Purposes on 25 January 2016.

Schools Funding Formula 2016-17 – Provisional– Report to Schools Forum on 21 October 2015

2016-17 Schools Funding Update – Report to Schools Forum on 14 January 2016

Housing Revenue Account Budget Report 2016/17 – Report to Cabinet on 8 February 2016.

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CONRAD HALL
Chief Finance Officer

LIST OF APPENDICES

Appendix B	2016/17 Revenue Budget
Appendix D (i)	Service Cost Pressures
(ii)	Agreed Savings 2016/17 to 2018/19
(iii)	Summary Savings Proposals 2017/18 to 2018/19
(iv)	Grants
Appendix E	Budget Risks and Chief Finance Officer's Assessment
Appendix F(i)	Report from the Budget Scrutiny Panel
Appendix G(i)	Central Items Table
Appendix G(ii)	Central Items
Appendix J(i)	Changes to Capital Programme
Appendix J(ii)	Capital Programme
Appendix K	Treasury Management Strategy Statement
Appendix L	Prudential Indicators (Not included)
Appendix M	Advice from the Chief Legal Officer
Appendix N	Earmarked Reserves and Provisions
Appendix Q(i)	Fees and Charges 2016-17
Appendix Q(ii)	Schedule of Fees and Charges
Appendix Q(iii)	Unchanged Fees and Charges

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2016/17 REVENUE BUDGET

	2015/16 £m	2016/17 £m
Service Area Budgets (SABs)	223.8	215.6
Other Budgets		
Central Items	42.0	42.5
Inflation Provision	4.7	1.5
Central Held Savings	(1.8)	(1.5)
Unallocated Government Grants	(26.5)	(29.1)
Centrally Held Growth	7.8	9.0
Central Held Pressures Provision	0.0	2.5
Total Other Budgets	26.2	24.9
Total Budget Requirement	250.0	240.5
Less		
Revenue Support Grant	69.9	56.0
Retained Business Rate	34.0	34.9
Business Rate Top up	48.3	48.8
Council Tax Freeze Grant	1.1	0.0
New Homes Bonus	5.1	0.0
Surplus/(Deficit) on the Collection Fund	3.9	2.5
	162.3	142.2
Total to be met from CT for Brent Budget	87.7	98.3
Total to be met from CT for GLA Precept	24.4	24.6
Taxbase - Band D Equivalents	82,799	89,254
Brent Council Tax Requirement at Band D	£1,058.94	£1,101.24
Brent % Increase	0.0%	3.99%
GLA Precept	£295.00	£276.00
GLA % Increase	-1.3%	-6.44%
TOTAL BAND D including Precepts	£1,353.94	£1,377.24
TOTAL % Increase	-0.3%	1.72%

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SERVICE GROWTH / COST PRESSURES - 2016/17 - 2019/20

Service	Item	2016/17	2017/18	2018/19	2019/20	Comments
		£'000	£'000	£'000	£'000	
Demographic Changes						
C&YP	No Recourse for Public Funds	400	100	100	0	The number of families presenting themselves to Brent who have no recourse to public funds has increased significantly since 2013/14. The total direct cost to Brent is forecast to be circa £1m in 2015/16 and is expected to increase in future years, primarily due to recent welfare reform changes. £0.4m is required to increase the current budget allocation of £0.5m to fund accommodation costs and subsistence for NRPF families.
C&YP	Social Workers - Workforce Planning	500	0	0	0	Workforce planning in Children's Social Care is designed to ensure that caseloads for social workers in the Locality safeguarding service do not exceed 20 children per social worker and in Care Planning do not exceed 15 children per social worker. These figures have been agreed across London as the maximum safely manageable caseload for social workers in children's social care. This strategy is also linked to the ongoing growth in Brent's child population, increased expectations from Ofsted and recruitment/retention issues in relation to Social Workers. £0.5m is required in 2016/17 to fund the additional social workers required to maintain the safe workload allocation as identified above.
CWB	Community Based Service - Homecare and Direct Payments	2,100	0	0	0	Based upon recent modelling projected demand for homecare services has been projected to increase in 2016/17 between 8 - 10% and Direct Payments between 10-20%. Although the numbers of older people are increasing according to population growth, the proportion or mix of service users with dementia will increase significantly which in general means that additional costs will be incurred by the department. The base number of clients across accommodation based support is projected to stay static for 16/17, with the increase in demand diverted to less costly Community based services
Total Demographic Changes		3,000	100	100	0	
Demand lead pressures						
R&E	Contracts – Uplift with respect to demographic pressures	500	0	0	0	To provide monies to meet potential increases in various contracts with respect to demographic pressures
R&E	Additional post required to take outdoor advertising sites and lamppost banner sites to market	78	(25)	0	0	If we do not create this extra capacity we will not be able to create the new income streams, which far outweigh the costs. This is a specialist skillset, and that capacity cannot be solely provided by reallocating work from within the extremely small team
Resources	HR -- Additional post to co-ordinate the apprentice and graduate schemes run by the council.	44	0	0	0	As part of the council's commitment to improve job opportunities for local young people, 100 apprentices will be recruited over 3 years and 50 local graduates in 5 years. The need has arisen to have an additional post to co-ordinate the apprentice and graduate schemes run by the council.
Total demand lead growth		622	(25)	0	0	
Price lead growth						
CWB	Accommodation and Community Based Packages	1,060	0	0	0	Price led growth has been projected to be between 1.5% and 4%. Over the last 5 years, ASC Commissioners have taken an aggressive approach to keeping the cost of care home placements and homecare hourly rates at the same level or with minimal increases. Increased obligations on employers in the social care sector e.g. auto enrolment pensions, reducing the use of zero hour contracts and NMW and LLW have impacted providers and the direct impact of pay levels of the workforce has a greater impact on homecare providers. Therefore this is a wider concern about the viability of the HC market locally if we do not look at what we pay. Through market warming exercises for upcoming tenders the clear feedback we are getting from the market is they will have to increase the prices they tender to meet their additional employment costs (Clearly the council cannot accept the full cost of new employee obligations but we must keep the market viable to purchase the services we need.) The department is already experiencing problems with making some placements, as some provider are reluctant to or simply will not accept Brent prices. Currently our 'usual costs' for placements are to some extent controlled through using the WLA wide APC (framework agreement) which sets the price for placements across the WLA. However, the retendering of this service is currently underway and intelligence indicates that providers will be looking to use this as an opportunity to increase their 'usual' fee rates. This is likely the biggest risk to increased placement costs, some of which we will need to meet if we wish to continue to access capacity in a viable, local market.
R&E	Public Realm - Waste Treatment	311	0	0	0	Waste treatment costs for residual waste and organic waste are set by the West London Waste Authority. They are applied on a rate per tonne basis. These increase year on year to account for operational uplift and increases in disposal charges. The actual rate increases are not yet known. These will be revealed by WLWA in January. However, this pressure is estimated using last year's rate of increase.
Central	Pay Increase	1,088	0	0	0	This assumes a pay ward for 2016/17 of 1.0%.
Central	National Insurance	1,537	0	0	0	This relates to changes in the National Insurance regulations where the current NI rebate employer's receive on staff within a defined pension scheme will cease from April 2016 costing the Authority £1.537m. Staff could also lose up to £40 per month.
Central	Freedom passes	193	700	700	0	For 2016/17 the cost of concessionary fares increased to £16.284m from £16.091m an increase of £193k. Overall, the costs of concessionary fares have increased by 0.8% for London Councils and 1.2% for Brent. The largest element in the increase relates to TfL fares which increased by 1% and was based on the July 2015 RPI inflation rate. For future years the assumption for the budget is that fares will increase by 2.0% and that there will be 2.3% increase in the volume of journeys as more people qualify for concessionary fares.
Central	Pensions - Actuarial review	342	550	555	0	The employer's pensions oncosts is due to increase from 29.4% in 2015/16 to 30% in 2016/17 in line with the previous actuarial review and £342k is the growth required to meet this additional pressure. From 2017/18 the new three yearly actuarial review of the pension will apply and it is currently assumed that an additional £550k and £555k will be needed for 2017/18 and 2018/19 respectively.
Total Price led growth		4,531	1,250	1,255	0	
Change in Legislation / Regulation / Policy						

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Savings 2016/17 - 2018/19 Agreed in 2015/16 Budget Process

Ref No	Unit /Service	Description:	Item	2016/17 (£'000)	2017/18 (£'000)	2018/19 (£'000)
ASC001	Residential & Nursing	Usual rates	Negotiations with Residential and Nursing care providers to ensure value for money. Savings of £410k included in 2015/16	420	0	0
ASC002	Residential & Nursing	Reduce residential care to necessary minimum and increase extra care/supported living housing	Transform the accommodation based care market in line with the Council's Market Position Statement. Reducing to a minimum the focus on residential and nursing care and developing Extra Care Sheltered/Supported Living Accommodation to give the vast majority of people who need accommodation based care greater independence and improved quality of life. Savings of £370k included in 2015/16	4,110	1,400	1,400
ASC007	Direct Services	Outsourcing of direct services	The proposal is to close Kingsbury Resource Day Centre, subject to full consultation, and re-provide the service for individuals in the independent sector. Options appraisals for the building will take place as part of the consultation process to identify the best use for them going forward. This could include: sale, re-use for supported living, or community hubs. In addition, subject to full consultation, we will change Tudor Gardens Residential home to Supported Living accommodation in line with the Market Position Statement. Savings of £432k included in 2015/16.	323	0	0
ASC009	Home Care	Increase Direct Payments	Doubling the number of Direct Payments over the two years from 384 currently and significantly increasing the employment of Personal Assistants (PA) with a Direct Payment. A PA is usually a home carer directly employed by the service user. It means the service user can ensure their carer is the right person for them and that they get the same person for every call. Savings of £120k included in 2015/16.	187	0	0
ASC016	Mental Health	Transformation of mental health social care operating model	Phase 2 of the Mental Health redesign project will re-design the workforce and the operating model for mental health social care and will present options for saving £750k as part of this process. Savings of £500k included in 2015/16.	250	0	0
CYP001	Early Help & Education	Children's Centres review	Implement a partnership model for the Children's Centres by tendering the management and day to day delivery in centres to an external provider. Savings of £237k included in 2015/16.	263	0	0
CYP002	Early Help & Education	Early Years	Review future resource requirements in general workforce budgets. Savings of £20k included in 2015/16.	35	0	0

CYP003	Early Help & Education	Youth Services	Reduce management and infrastructure costs in 2015/16, and establish a new delivery model by 2016. Savings of £100k included in 2015/16.	900	0	0
CYP010	Children's Social Care	Children's Placements	Changing the placement mix between residential placements, Independent Fostering Agencies (IFA) and Brent Foster Carers. Saving to be achieved by moving 9 of the lowest need Looked After Children in residential placements to high end IFA placements, followed by a similar move of low end IFA placements to Brent Foster Carers. Savings of £300k included in 2015/16.	700	0	0
CYP020	Children's Social Care	Staffing redesign in Children's Social Care	Reduction in managerial posts as part of revised managerial and supervisory structures resulting from the redesign of Children's Social Care over the next 18 months as part of the DfE Innovations Project. Savings of £171k included in 2015/16.	170	0	0
R&G001	Regeneration & Growth	Updated TA forecast based on 13/14 performance	Savings of £1.3m were included for 2015/16 based on underspending in 2013/14 and reflecting the expectation that service demand would be less than anticipated in the original model. A further £1.0m saving was included for 2016/17 and 2017/18.	500	500	0
R&G008	Regeneration & Growth	Property Strategy & Projects	Reduction in revenue budget to support capital projects – the main implication will be a reduction in the capacity of the Council to bring forward capital projects, resulting in either fewer projects or slower delivery times. Alternative models of project delivery will also be explored. Savings of £200k included in 2015/16.	100	0	0
R&G011	Regeneration & Growth	Investment Team	Use the CIL administration charge to fully fund the development fund and information manager. Savings of £61k included in 2015/16.	20	20	0
R&G012	Regeneration & Growth	Planning & Building Control	Increase income through generating more trading business. Prioritise resources on non-ringfenced income generation work – particularly targeting and securing work through cross-boundary working via partnership schemes. Savings of £50k included in 2015/16.	50	25	0
R&G014	Regeneration & Growth	Private Housing	Increased cost recovery following on from introduction of additional and selective licencing. Licencing income is subject to a statutory ring fence however there are some activities already carried out within Private Sector Housing which can legitimately be funded from income, thereby releasing General Fund. Savings of £50k included in 2015/16.	50	0	0
R&G017	Regeneration & Growth	Facilities Management & Civic Centre	To be read in conjunction with R&G26. This proposal assumes further letting of space in the Civic Centre to a third party with a resulting service charge for the cost of FM. The saving assumes a further floor of the Civic Centre can be made available and let by 2016.	124	124	0

R&G018	Regeneration & Growth	Housing Needs	Shared service arrangements for housing register and allocated scheme - £100k to £200k. Initial work being undertaken with neighbouring borough where the use of common approaches and systems has been identified. This may offer potential for shared service savings and the spreading of back office/overhead costs. Initial arrangements to be in place during 15/16 (part-year saving). Savings of £20k included in 2015/16.	140	40	0
R&G020	Regeneration & Growth	Capital Portfolio Office	Removal of service manager post and closure of capital portfolio office. The capital portfolio office provides programme management office services to the proportion of the capital portfolio that is consolidated within Regeneration & Growth – namely schools, estate regeneration and the provision of new Council buildings. The proposal is to cease this service in 2016/17, when the Verto project management software is fully embedded. An alternative proposition would be to transfer responsibility for this service to another part of the Council, most obviously the One Council PMO. This is currently being reviewed as part of the wider review of Capital Projects. Savings of £77k included in 2015/16.	70	0	0
R&G021	Regeneration & Growth	Supporting People	Revised arrangements for the START plus service as a consequence of the Supporting People Fundamental Review. Savings of £50k included in 2015/16.	150	0	0
R&G022	Regeneration & Growth	Private Housing	A notional saving from Private Housing Services as a consequence of the proposed wider regulatory services review. One option to be explored is a shared service with one or more neighbouring borough.	100	0	0
R&G025a	Regeneration & Growth	Income Generation through gaining "Approved Inspection" status	Enabling Brent to undertake Building Regulation work throughout England. Explore the potential for increasing the level of income generated by Building Control through gaining "Approved Inspector" status. This would enable Brent to undertake Building Regulation work throughout England without need to obtain the host local authority's agreement to work within their area. This ability will allow Brent to market the services in the same way as the private sector company and compete with Private Sector AI's. In taking forward this model we will review our charges to reflect market rates but ensure they remain competitive and need to develop mechanisms whereby inspection of works can be effectively resourced / undertaken.	65	35	0
R&G025b	Regeneration & Growth	Increase of income through charging	Increase of income through charging or expanding current charges for some services e.g. pre-application advise for domestic applications. Explore the possibility of introducing a premier service subject to legal constraints and resourcing. Savings of £10k included in 2015/16.	100	0	0

R&G025f	Regeneration & Growth	Letting Agency	BHP will be establishing a lettings agency in 2014. The business plan projects completed additional surpluses of £350k per annum being generated from year five (2018/19). The saving represents increased income from the provision property and tenancy management services to private sector properties.	0	175	175
R&G025g	Regeneration & Growth	Increased Income and Efficiencies from Disabled Facilities Work	Efficiencies in relation to the administration and supervision of Disabled Facilities Grant in areas such as services to self funders / partnership working better integration with BHP.	20	40	0
R&G026	Regeneration & Growth	Income from the Civic Centre	Proposals will be developed for increased income from the Civic Centre. The additional income assumed from 16/17 onwards assumes that an additional floor being made available and a tenant found to occupy the space on a commercial basis from 2016. To be read in conjunction with R&G17 which represents the service charge that could be achieved and the FM costs that could then be offset.	150	150	0
R&G027	Regeneration & Growth	Fundamental Review of Supporting People	Supporting People resources are used to sustain housing tenancies for the most vulnerable residents in the Borough through the provision of 'floating support services' and specialist hostel accommodation. A fundamental review of the effectiveness of these preventative services is underway and services will be reconfigured in the light of this review to deliver the saving.	1,200	0	0
R&G027a	Regeneration & Growth	Supporting People	This would significantly reduce support to the most vulnerable people in Brent to retain their tenancies. It is likely to result in increased homelessness with consequential costs arriving elsewhere in in the housing budget.	1,000	0	0
R&G029	Regeneration & Growth	Regeneration Investment Service	Significant reduction in scale of the dedicated regeneration capacity of the Council. To be read in conjunction with R&G10. The key implication would be the shift to a model based on project specific assignments.	200	100	0
R&G035	Regeneration & Growth	Housing Needs Service Redesign and Efficiencies	Reduce the number of Housing Options Officer posts by 4, over a two year period from 2016/17. Current approaches can be streamlined and operational efficiencies gained.	100	100	0
R&G036	Regeneration & Growth	Reduction of Welfare Reform Mitigation Team	It is forecast that the bulk of the households impacted by Overall Benefit Cap will have had their housing issues resolved by April 2015, and that the remaining workload and new cases will be dealt with by the established Housing Needs Teams.	100	0	0
ENS022	Regeneration and Growth	Regulatory Services	Fundamental review of regulatory services including planning and building control, looking at all options including shared services with other local authorities. Savings of £50k included in 2015/16.	100	0	0

ENS004	Community Services	Environment Policy and Projects Team	Community Asset Transfer (CAT) proposed for the Welsh Harp Education Centre to Thames 21. The charity delivers practical and engaging environmental activities that teaches young people about the need to care for their natural environment. Savings of £13k	14	0	0
ENS008	Community Services	BTS - One Council Project - updated as per new proposals - one council programme – changed in light of recent report to CMT	This reflects savings associated with a review of Brent Transport Service. Savings of £583k included in 2015/16.	100	0	0
ENS010	Community Services	Community Safety and Emergency Planning	To consider a new approach to managing Anti-Social Behaviour services across the borough, including consideration of a joint arrangement between the Community Safety Team and the BHP Community Safety Team.	100	0	0
ENS011	Community Services	Civil Contingency Post	To reduce the Emergency Planning Team by one post leaving only two posts. This is likely to require a shared service arrangement with another borough in order to maintain 24/7 cover. Savings of £25k included in 2015/16.	27	0	0
ENS012	Community Services	Charging for garden waste	Introduction a charge for garden waste via a subscription service at £40 per year per household. This was agreed by Cabinet in July 2014. Savings of £140k included in 2015/16.	238	0	0
ENS015	Community Services	Parking Service	Cost reduction and income generation opportunities. Consider CEO deployment, unattended enforcement, visitor parking charges and a number of other initiatives. Savings of £2,160k included in 2015/16.	921	134	0
ENS016	Community Services	Street Lighting	Replace existing street lighting with LED lighting to new British Standards and , optionally, a Central Managed System - This would require investment of around £7m.	0	750	0
ENS018	Community Services	Libraries, Art and Heritage	Achieving management efficiencies in the Library Arts and Heritage service.	160	0	0
ENS020	Community Services	Libraries, Art and Heritage – grants	Gradually taper down Tricycle Theatre grant to zero by 2017/18. This would result in no outreach work to young people and schools. The arts service of two people is required to operate cultural facilities at Willesden Green Cultural Centre. This work to cease in 2017/18. Savings of £50k included in 2015/16.	75	205	0
ENS023	Community Services	Registration and Nationality	Extend current joint service with Barnet to at least one other council. Savings of £50k included in 2015/16.	50	0	0

ACE002	Strategic Commissioning	Review of grant funding to London Councils	The Council cannot withdraw from, or unilaterally reduce its funding to, the Grants Programme. On the contrary, s.48(7) Local Government Act 1985 provides that a grants scheme such as this one, once agreed by the majority of the London borough councils, may be binding upon a dissenting London Borough council in the absence of its agreement. We have explored the legislative scope for this. Section 48 of the Local Government Act 1985, which established the London Councils grant scheme, stipulates that councils can only vary their contribution to the grant scheme with the agreement of at least two thirds of London Boroughs. The time available to implement any agreed change would significantly limit the level of savings achieved in 2015/2016. The Council could start conversations now with leaders of other councils with a view to introducing a reduction in funding to London Councils at the end of this cycle of projects i.e. April 2017.	0	340	0
ACE004	Strategic Commissioning	Review of Grants and contracts to voluntary and community sector	This proposal sets out to do two things: 1. Streamline and refocus the funding available through the Themed Grants stream. Options are provided for the level of cut which might be applied. 2. Carry out a review on the current corporate spend on advice and guidance and look for opportunities to eradicate duplication, harmonise funds and deliver savings. The Partnership & Engagement Unit currently distributes c£2.1million (includes the funding to London Councils set out in ACE2 proforma) to the voluntary and community sector through grants and contracts. This funding is distributed through a variety of streams which run to different timescales.	410	0	0
F&IT005	Finance	Finance	Substantial cost reductions achieved by focusing on core tasks and by adopting a far more risk based approach	1,500	0	0
F&IT006	Strategic Commissioning	IT	Substantial cost reductions through a mixture of sharing services and reducing the application and other IT footprint within Brent to a core offering, with increased standardisation for users to lower costs. Savings of £1.7m to be achieved by a mixture of reducing staff numbers, stopping out-of-hours support, renegotiating contracts, reducing the IT application footprint to a core offering, with increased standardisation for users to lower costs.	1,620	0	0

HR001	Human Resources	Reconfiguration of function	It is proposed to carry out a major reconfiguration of the HR service in 2015/16 saving £1.4m by 2016/17. This will result in the merging of some areas in order to reduce the number of managers required in the new structure. It is the intention to devolve responsibility for some existing activities undertaken by the Learning and Development team to HR Managers. Other activities will be accommodated by a new performance team with a broader remit which will include resourcing, workforce development, policy and projects. In addition it is proposed to cap the existing trade union facilities time allocation awarded to GMB and Unison to a maximum of 1 x PO1 post per trade union, to move the occupational health service inhouse saving £60k and reduce the learning and development budget by £67k. In year 2016/17 further reductions in staffing can be potentially achieved through shared service arrangements within payroll, pensions, HR management information and recruitment. Savings of £696k included in 2015/16.	743	0	0
HR002	Human Resources	BIBS	This will have a significant impact on staffing as the budget is predominantly made up of staffing costs. It remains the intention to consider alternative models of delivery which will transform the service; ensure greater efficiency and improve the customer experience but in the short term an immediate reduction in posts will enable BIBS to generate savings of £700k in 2015/16. This will be achieved through reviewing the Executive Assistant arrangements in light of the senior manager restructuring; ceasing the provision of some administration activities such as AskHR & AskBIBS; and carrying out a cross service reduction in headcount. This is part will be assisted by reductions in service provision across the council's departments. Savings of £700k included in 2015/16.	1,180	0	0
L&P001 & 002	Legal	Legal Services	Different options of service delivery – outsourcing – private legal firm / buying from local authority that sells legal services and also London Wide work of setting up a shared service. Proposal to enter a shared service for legal. Savings of £400k have been brought forward from future years to 2016/17. Savings of £458k included in 2015/16.	900	0	0
L&P003 & 004	Members	Mayor Support / Service Committee	Review of support to elected Members, including reconfiguration of the democratic function. Savings of £140k included in 2015/16.	427	0	0
PRO001	Strategic Commissioning	Procurement -Reduced Service	Staff Reductions	270	0	0

R&G005	Community Services	Capita Savings	The Capita contract for Revenues & Benefits provides for 3% savings to be delivered year on year. The proposal here represents the full outcome of the renegotiation of the Capita contract price undertaken as part of the decision to extend the current contract for a further 3 years from 1st May 2016 to 30th April 2019. Savings of £321k included in 2015/16.	105	207	0
PH002	Strategic Commissioning	Public Health	Contribution to Childrens Centre Service. Savings of £375k included in 2015/16.	375	0	0
PH003	Strategic Commissioning	Public Health	Agreed that efficiencies would be made within public health once the grant ceased to be ring fenced and further opportunities sought to use grant to deliver across Council functions	1000	0	0
R&G032	Community Services	Customer Access Service	Implementation of new customer access strategy with a specific aim to reduce the current costs of contact handling by migrating customer contact on line, improve the efficiencies of telephone handling arrangements and optimising use of shared data to reduce the need for customers to have to contact multiple services with the same information. There is a £1.5m of savings which will be achieved across the Council and held as a central saving in 2016/17.	1,500	0	0
Total				23,412	4,345	1,575

SUMMARY**ANALYSIS OF SAVINGS BY BUDGET THEME**

Budget Theme	2017/2018 £'000	2018/2019 £'000	Total £'000
Driving Organisational Efficiency	2,425	2,425	4,850
Civic Enterprise	3,450	2,197	5,647
Making Our Money Go Further	3,650	4,650	8,300
TOTAL	9,525	9,272	18,797

Driving Organisational Efficiency

Ref No	Unit /Service	Description:	Item	2017/18 (£'000)	2018/19 (£'000)	Theme
DOE001	Support Planning, Reablement & Mental Health	Increase Direct Payments	This will mean that people pay for their home care/community support through independent Personal Assistants or direct purchasing of support from providers. A market for Independent Personal Assistants will continue to be developed in the local area to maximise the benefit.	50	50	Driving Organisational Efficiency
DOE002a	Early Help	Transformation of the design and delivery of early help	Effective and co-ordinated early intervention will build resilience and independence which will in turn move cases out of high risk and high cost services. As far as possible there will be a one worker to one family approach. Savings will be achieved through three main workstreams: 1. More effective co-ordination and signposting and to early intervention services delivered by partners including schools and the voluntary sector; 2. Improved use of research to ensure a greater strategic focus on high impact interventions and more effective assessment of individual need. Savings will be achieved by reducing delivery of low impact or repeat interventions; 3. Planned structural change across CYP. In the first instance this will enable the delivery of a more coherent offer which is expected to reduce demand for high cost services. Any reduction in demand will then enable a further reduction in headcount.	350	550	Driving Organisational Efficiency
DOE002b	Children's Social Care	Signs of Safety and Social worker recruitment	Increased efficiencies of £200k driven by the Signs of Safety programme and a linked, but separate, reduction in the reliance on agency staff across the division. There are approximately 70 agency social workers, deputy and team managers in children's social care currently. Over the two year period the plan is to reduce this by 40, this would realise a saving of approximately £300k.	300	200	Driving Organisational Efficiency
DOE002c	Children's Social Care	Regionalising Adoption	Government has indicated its intention to regionalise some or all of local authority adoption services by 2017. In London the preparatory work is being led by the London Adoption Consortium which is currently conducting a scoping exercise on the model that this regionalisation could take and the scale and type of services that could be regionalised. This piece of work is due to conclude in March 2016 with a view to delivering from April 2017. Local Authorities will not be able to stop providing adoption services but they will be delivered differently; whether through a collection of Local Authorities or commissioned with a single provider. This will lead to some efficiencies – particularly in the area of the recruitment and assessment of adopters as well as the provision of post-permanency support. Current estimates are that it will be 15% of the budget £100k.	100	0	Driving Organisational Efficiency
DOE003	Community Services	To review staffing structures and spans of control across the eight services divisions	Savings of £2.25m would come from a 20% reduction in FTE across all eight services. The review would particularly include contract management and strategy development arrangements so that these can be standardised and rationalised across all large operational contracts in a way that creates consistency of approach and improved service outputs.	1,125	1,125	Driving Organisational Efficiency
DOE004	Corporate Business Support	Review support service costs	The proposal is to review the level of support services provided within the council – human resources, legal, IT, business support and finance – in the future to create a leaner more efficient service to users. The options for achieving the saving are: restructuring, merging, outsourcing, shared services, and driving greater efficiency through technology and self-service.	500	500	Driving Organisational Efficiency
Total				2,425	2,425	

Civic Enterprise

Ref No	Unit /Service	Description:	Item	2017/18 (£'000)	2018/19 (£'000)	Theme
CE001	Support Planning & Reablement	Additional Continuing Health Care (CHC) Funding	The saving comes from the CCG funding care packages rather than the council. It should mean a better service for users with complex needs. The CCG should fund this care as they have the necessary skills to meet these needs. Previously a move to CHC funding has meant a loss of choice and control for the user that they had with a social care package, but this is no longer the case as they can now have a Personal Health Budget.	400	400	Civic Enterprise
CE002	Cross Department	Income Generation	The generation of advertising and sponsorship income of £300k from increasing the number of on street (large and small format) billboards, lamppost banner, advertising on the council's website/intranet and roundabout sponsorship. Put in place concession contracts for the installation of wireless equipment on lampposts and review current position on rooftops and small spaces/buildings generating £210k. Carry out a review of fees and charges comparing Brent to neighbouring authorities in order to bring our charges in line including for services that were previously free with a view to raising £1.99m of additional revenue.	1,250	1,250	Civic Enterprise
CE003	Digital Services	IT Sales	Following the successful provision of ICT services to the LGA and the establishment of the shared service with Lewisham. The Lewisham service will start in April 2016 covering infrastructure support and in 2017/18 will be extended to other applications. Digital services would be looking to offer ICT services on a commercial basis to other organisations. The service is already in discussion with a number of London boroughs that have expressed interest in what we can do for them and are looking to develop this so that we can have something in place for April 2018.	375	375	Civic Enterprise
CE004	Parking & Lighting/Parking	Eliminate the additional overhead costs of the Serco parking contract	It was originally intended that the cost of the overheads for the Serco parking contract would be apportioned on a 60:38:2 ratio between the three participating boroughs: LB Brent; LB Hounslow; and LB Ealing; respectively. The ratio was calculated in proportion to the value of the overhead costs being transferred to Serco at the commencement of the contract. Immediately prior to the letting of the contract, LB Hounslow identified a shortfall on the savings target required by their administration. It was agreed between the boroughs that, on a temporary basis, the ratio would be amended to 80:18:2 (Brent: Hounslow: Ealing), with a review in January of each year to assess whether the additional contribution from Brent to Hounslow could still be justified. Brent's additional contribution is £347k p.a. and this will be reviewed.	300	47	Civic Enterprise
CE005	Finance	Better collection of debts and arrears	To generate at least £1m per annum from better collection of debts and arrears across the range of council paid for services and taxes. A review of the balance sheet and underlying processes has indicated that this is a realistic but stretching target at this stage. Following a detailed review by the One Council programme office and consultation with managers across the council officers have identified opportunities to improve debt collection, including through more efficient processing, better management of arrears, improved cross-council working through a newly established debt board and better management of clients with multiple debts. This work follows the successful pilot in adult social care debt that demonstrated the potential is one service area, and this model is now proposed to be extended across the council.	1,000	0	Civic Enterprise
CE006	Regeneration and Growth	Civic Centre - Rental Income	Additional income could come from additional lets eg Library café space, increased income from the basement car park or from further release of office space	125	125	Civic Enterprise
Total				3,450	2,197	

Making Money Go Further

Ref No	Unit /Service	Description:	Item	2017/18 (£'000)	2018/19 (£'000)	Theme
MGF001	Procurement	Contract Renewal Savings	There are 161 contracts due for renewal over the next three years (2016/17 - 2018/19). This includes 63 contracts above £500k and 98 contracts below £500k. The aim will be to approach the market with a target of 10% savings against current contract prices. In addition savings to be achieved on the end of the Streetlight PFI contract by replacing the current contract requirements by a repairs only contract	3,500	4,500	Making Our Money Go Further
MGF002	Transportation	Saving in combined budgets for core highways maintenance work within the Lohac contract and for separate reactive maintenance work.	The saving is a 10% reduction in budgets for highways reactive repairs (roads, pavements, signs, street furniture, markings), gulley cleansing, inspections and call outs. Following discussion with leading members, this is proposed to be cancelled out, so there is an equal and opposite line in the growth proposals, so they add up to zero.	50	50	Making Our Money Go Further
MGF003	Regeneration and Growth	FM Contract	Savings in FM contract. This could flow from a further reduction in buildings within the contract or from a revision to the contract. The alternative option which is unlikely to be acceptable to CMT, is to negotiate a reduction in the contract in return for triggering the additional period which is available at the end of the current contract period.	100	100	Making Our Money Go Further
Total				3,650	4,650	


	2015/16 Grant	2016/17 Grant	Notes
	£'000	£'000	
Local Reform & Community Voices	181	181	No announcement on the future of this grant
Adult Social Care - New Burdens	1,140	0	Monies to support the Care Act has been rolled into Revenue Support Grant (RSG).
New Homes Refund	259	0	No longer paid
Section 31	2,566	2,400	This is a grant to reimburse authorities for changes to business rates announced in the 2013 and 2014 Autumn Statements.
Education Services	3,117	2,797	The initial grant for 2016/17 is £3.067m but is expected to reduce as schools convert to academies
Public Health	18,848	23,037	This has increased by £5.526m for 0-5 public health responsibilities but the main grant has been reduced by £1.337m. Further reductions will be announced for 2016/17
<u>Local Services Support Grant</u>			
Lead Flood Authority	55	0	Monies have been rolled into Revenue Support Grant (RSG).
Extended Rights - Sustainable Travel	9	3	No announcement on the future of this grant
Sub Total	26,175	28,418	
Council Tax Freeze	1,078	0	Monies have been rolled into Revenue Support Grant (RSG).
Grand Total	27,253	28,418	

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Statement by the Chief Finance Officer on the budget and balances

1. Under Section 25 of the 2003 Local Government Act I am required to comment on the adequacy of the budget calculation and the level of balances proposed within a budget. The two issues are related. The less prudent the revenue provision and forecasts of demand and risk, the higher the level of balances required to justify the budget calculations. This budget has been carefully prepared, risks have been identified and quantified and, while excessive provision has not been made in the budget, a prudent and cautious approach has been taken. The council also has adopted rigorous budget monitoring arrangements during the year and a policy of restoring balances once used. The combined approach means that a minimum prudent level of balances is £12.0m, which will cover the General Fund revenue budget risks identified over the medium term. As the forecast level of balances as at 31 March 2016 is at this level, no further increase is required for 2016/17.
2. Whilst the approach is prudent, including due allowance for contingency the council will be required to deliver savings with an aggregate value of some £23m in 2016/17. This reflects the financial constraints imposed by the local government settlement. The Scrutiny Committee have reviewed these proposals, and raised concerns as to whether they can all be delivered. A balance must be struck between an excessively cautious approach and an unduly optimistic one. It would be surprising if issues did not arise in the delivery of some of these proposals, given that the overall package is valued at over £23m and consists of over 50 separate proposals.
3. In my view the right balance between risk and prudence has been struck to help ensure that the budget is sufficiently challenging to spur the right financial and managerial discipline within the organisation, whilst not setting unreasonable targets. Within this it is worth highlighting those proposals where the risk of under delivery is more significant. These are:
 - a. Proposal CYP3, which requires savings of £0.9m from a complex reorganisation of youth services
 - b. Proposal R&G1, which requires a further reduction in TA costs of £0.5m in 2016/17 and a further £0.5m in 2017/18. This reflects the complex demographic and legislative pressures in this area.
 - c. R&G25f, which requires a surplus, over time, of £0.35m p.a. from the Lettings Agency, although none of this is budgeted for in 2016/17
 - d. ACE2, which plans to reduce the council's contribution to the London Boroughs Grant Committee by £0.34m in 2017/18, which cannot be achieved without securing a two-thirds majority in London Councils
 - e. HR1 & L&P1, which collectively require further savings of £1.6m in the council's legal services and human resources departments
 - f. PH3, where savings of £1m against the public health grant are required
 - g. R&G32, where savings of £1.5m are required through implementation of the customer access strategy.
4. This is not to imply that none of these savings will be delivered: if that were the case they would not be included in the budget. It merely reflects the inevitable risks in setting a budget in a large and complex organisation, and those proposals on which particular management attention should be focused.
5. Of the new proposals for 2017/18 and beyond, there is clearly a longer lead-in time to deliver these, but it is important to stress now the significant managerial

challenges posed in delivering some of these, particularly the procurement and civic enterprise targets. As work progresses in developing these during 2016/17 these issues will be reported to Members as appropriate.

 Brent	<p style="text-align: center;">Scrutiny Committee</p> <p style="text-align: center;">6th January 2016</p> <p style="text-align: center;">Report from the Chair of Scrutiny</p>
<p>For Action</p>	<p style="text-align: right;">Wards Affected:</p> <p style="text-align: right;">ALL</p>
<p style="text-align: center;">Report from the Budget Scrutiny Panel</p>	

1. Introduction

- 1.1 A Budget Scrutiny Panel was put together by Brent's Scrutiny Committee Chair, Cllr Matt Kelcher, in December 2015, to analyse and scrutinise the proposed budget for Brent Council for the financial year beginning in April 2016.
- 1.2 The Panel was chaired by Cllr Kelcher, with Cllr Suresh Kansagra representing the opposition. Other members of the Scrutiny Committee to sit on the Panel were Cllrs Janice Long, Shama Tatler and Sam Stopp.
- 1.3 Backbenchers were further represented on the Panel by Cllrs Neil Nerva and Wilhelmina Mitchell-Murray.
- 1.4 The Panel met twice formally and further corresponded by email and telephone when producing this report. The Panel interviewed the Council's Chief Executive and Chief Financial Officer in person. Further information on various issues was also sought and delivered from officers.
- 1.5 This report is the beginning, and not the end, of the budget scrutiny process. It is not designed to be a comprehensive account of all of the Panel's concerns and queries about the draft Council budget. Instead, it summarises some of the Panel's broad thoughts about the direction and content of this budget.
- 1.6 This is designed to provoke a discussion and further debate at future meetings of the Scrutiny Committee, where all Councillors will be able to question the Deputy Leader of the Council, and senior officers, about any aspect of the budget.
- 1.7 We also confirm that from our investigations we believe that the draft budget presented is lawful.

The budget papers referred to in this report were submitted to the Brent Cabinet meeting for 14 December 2015 and can be found on the ModernGov application.

2. Recommendations

Members of the Scrutiny Committee are recommended to:-

- 2.1 Note the comments of the Budget Scrutiny Panel regarding budget proposals for the period 2016 and future years.
- 2.2 Request that future budget scrutiny activity is started earlier in the budget setting process from September onwards and engages scrutiny members in the development of proposals.
- 2.3 Request that the Scrutiny Committee considers the future review of income generation activities following work being undertaken by the Chief Executive to develop proposals.
- 2.4 Request that a direct debit scheme is put in place for the green bin service.
- 2.5 Request that the Cabinet reconsiders the proposed saving in relation to road and pavement repairs and considers alternative ways of maintaining safe roads and pavements.
- 2.6 Request that the Council consider raising council tax levels by the maximum 2 per cent allowably by the government with a focus on providing additional resources to protect services for the most vulnerable. As part of this the Council should review the Council Tax support scheme to ensure that the impact is minimised for those in financial hardship.

3. Role of Scrutiny

- 3.1 The Panel hopes that in future years that the Scrutiny Committee will have a more prominent role in the drafting and setting of the Council budget.
- 3.2 We note with concern that the “budget setting timetable” set out on page 30 of the cabinet report does not mention the scrutiny process, or the fact that the Panel has been scheduled to produce this report for January’s Scrutiny meeting for some time.
- 3.3 The Panel recommends that in subsequent years a Budget Scrutiny Panel should be established much earlier (September at the latest) and question each Cabinet Member or Head of Service about how the proposed savings and cuts within their portfolio will work in practice. This will allow full scrutiny of each and every proposal in the budget.
- 3.4 In the meantime, we look forward to the Deputy Leader of the Council attending the next meeting of the Scrutiny Committee on Wednesday 6 January to speak to this report. At this meeting all members of the Committee and other Councillors who sat on the Panel will be invited to expand upon the themes in this report and question the relevant Cabinet Member and officers on any aspect of the budget.

Agreed Savings

- 3.5 Appendix 1 of the cabinet report outlines the savings agreed as part of a two year budget set in early 2015. Due to the time plan built into this package, many of these savings are yet to be realised, and the Panel was keen to learn about the progress being made in their implementation.
- 3.6 With the Chief Financial Officer we went through each of the savings in the list to analyse progress made so far. We were pleased to see that around 95 per cent of predicted savings have been achieved in this financial year and that the majority of longer term savings are making good progress with three months to go until the final target for savings.
- 3.7 Without such reassurance we would be less confident in the predicted savings contained elsewhere in the report, though we still sought to scrutinise each of these assumptions as closely as possible.
- 3.8 We do note with concern that there remain some agreed savings which are some way from being achieved.
- 3.9 We recognise, that these include savings not within the exclusive gift of the authority, for example a review of funding to London Councils, which requires a two-thirds majority vote by members of London Councils' Grant Committee to change.
- 3.10 However, they also include projects managed by the Council which have not yet been fully realised. The Scrutiny Committee will continue to review these areas moving forward, for example the implementation of a local lettings agency.
- 3.11 More broadly, the Panel supports the Council's plan of delivering efficiencies where possible now, to allow more time later in the period for difficult cuts, savings and income generation strategies to be worked through.
- 4. New savings**
- 4.1 The budget report also sets out new proposed savings to be implemented in the coming financial year and beyond. The Panel discussed each of these and sought further information from officers where necessary.
- 4.2 Specific questions about each of these plans may be asked by members of the Scrutiny Committee and others at the meeting attended by the Deputy Leader and others in January 2016.
- 4.3 It was noticeable that the proposals put forward in this year's package contain fewer items which will be immediately noticeable to the entire population of Brent – for example a charge for garden waste, or the closure of a public centre. However, as a Panel we are just as concerned about “invisible cuts” to services not used by the majority of the public, such as adult social care, and believe a budget should always ensure the most vulnerable are protected.
- 4.4 Our main broad critique of the package is that it lacks a common thread or philosophical story. The package instead appears to be a collection of disparate ideas brought together in order to reach the final figure required.

- 4.5 A clear example of this would be in the DOE001 proposal to increase the take up of direct payments for home care and community support. This is simply presented as a savings proposal rather than as part of the Council's long-term vision of how to deliver care.
- 4.6 We feel that setting out the Council's concrete vision at the start of the process, and ensuring that each proposal made aids progress towards that vision, rather than stalling it, would be an approach which would better ensure this continuity of purpose in future years.
- 4.7 Likewise, DOE001 helpfully illustrates the different attitude taken towards equality impact screening in many of the proposals. For this item it is asserted that there is no potential for disproportionate adverse impacts to take place on any protected group, even the disabled and people in older age groups. Other items, which do not propose as significant a change to the care provided to vulnerable people, take a much more cautious approach to impact screening, adding to the sense that this is one package with many authors.
- 4.8 In addition, we feel that wherever a service is withdrawn, a signpost to an alternative – even if not provided by the Council or the wider public sector – should be provided.
- 5. Income generation**
- 5.1 The Panel was very interested in future plans for income generation within the Council. We have an obvious preference for raising new sources of revenue, over cutting existing services, but also feel that if the government proceeds with its long term plan to devolve local authority funding and withdraw central grants, Brent Council will have to find as many ways as possible to stand on its own two feet financially.
- 5.2 With this in mind, we have two general observations about the income generation plans within the budget.
- 5.3 Firstly, we feel that some of the estimates in the report may be overly ambitious. For example, item CE002 contains an aspiration to increase the amount of income generated from sport and recreation to the outer London average. This would be a significant increase in income of nearly £0.75 million.
- 5.4 However, Brent Council currently only owns three leisure centres, whereas other outer London authorities have more. For example, the London Borough of Barnet runs six leisure centres with its partners, according to their website. We find it difficult to imagine how Brent can generate as much income from leisure services as those boroughs with twice as many services to offer.
- 5.5 Likewise, we feel that more information should be provided on how the Council plans to reach this target. Members of the Committee reported receiving complaints from residents about the shortened opening hours for swimming at the Willesden Sports Centre, and feel decisions like this could lead to local people using private facilities instead and undermining our income generating opportunities.

- 5.6 Secondly, we feel that the report does not cover the full range of income generation possibilities in the Council. We were pleased to learn that wider review will be undertaken by the new Chief Executive, and have asked that this report comes to the Scrutiny Committee for pre-scrutiny before it reaches cabinet.
- 5.7 Most notably, we feel that the Council should have a clear goal of increasing the proportion of Civic Centre weddings who afterwards use the Drum facilities for receptions. It was suggested that in particular the size and location of the Grand Hall room would be ideal for large Asian and Jewish weddings, which were particularly popular at the old Brent Town Hall. There seem to be some restrictions on the catering which can be brought in for events at our civic centre and so we would like officers to examine these rules closely to see if they are prohibitive to certain religious communities who may wish to use specialist caterers for their events.
- 5.8 Likewise, the facilities on site should be highly suitable for other large events, such as birthday parties, corporate away days and company AGMs. The Council should develop a further strategy to target these events.
- 5.9 Further, two members of the panel also recently sat on a Scrutiny Task Group examining CCTV provision in Brent. Through this investigation it was learned that there are many ways to monetise a local authority's CCTV infrastructure, for example ducts and wireless networks. This convinced members of the Panel that many more departments within the Council would find income generation possibilities if they were tasked with actively seeking them out.
6. **Spend to save**
- 6.1 It was felt that some of the savings the Council is pursuing, or will pursue in future, may incur more costs than necessary as they proceed, and therefore may fail in the long term. We feel there are other options which could work better on a spend-to-save rationale.
- 6.2 For example, we are extremely concerned that a direct debit service – with incentives to encourage payment through this method – was not set up when the Green Bin Charge was introduced in last year's budget. We believe this will undermine the long term savings generated by this policy change as the Council will be investing resources at the start of every financial year to ensure residents who want to keep their bin have paid up again for the next twelve months. A direct debit system would make it easier for residents to pay and for the Council to collect and we recommend that one is set up as a matter of priority.
- 6.3 Similarly, we are very concerned about proposal MGF002, which proposes to cut the core budget for core highways maintenance by 10 per cent. It was noted that the list of potential risks associated with this item was longer than many others, something particularly alarming in light of the overall saving being relatively low at £50,000.
- 6.4 The report notes openly that this cut will lead to fewer active repairs, something which could be dangerous for residents, but also severely damage the reputation of the Council, particularly at a time when Council charges and taxes may be set to

increase. It also risks additional costs in litigation arising from possible accidents arising as a result of poorly maintained roads and pavements.

- 6.5 We recommend that this proposal be dropped and that instead the Council examines if alternative ways to repair the street scene will decrease the need for reactive action in the long term.
- 6.6 For example, it was noted that tarmacking or concreting pavements leads to more even surface than paving slabs and does not give space for plants to grow upwards and damage the surface. Prioritising such alternatives may help to save the authority in the long term rather than always replacing paving stones on a like-for-like basis.
- 6.7 Another idea raised was to seek an outside partner to doggedly pursue illegal rubbish dumpers in the borough. The partner would be incentivised by being able to keep a large percentage of fines generated but the Council would realise long term savings as levels of illegal rubbish dumping – and associated clean-up costs – decrease. A similar approach could also be taken to people who drop litter or who do not clean up after their dogs.

7. Council Tax

- 7.1 The minimum legal requirement on the Council this year is to set a balanced budget and a level of Council Tax for the forthcoming financial year. As noted above, we are satisfied that they will do the former, but we anticipate much further debate around setting the level of the latter.
- 7.2 During the last Parliament, the government offered a freeze grant to local authorities who froze or reduced their basic level of Council Tax. This was the equivalent to a 1 per cent increase in Council Tax in each financial year. Along with most local authorities, Brent accepted this grant in every year of the last Parliament and never increased its level of Council Tax.
- 7.3 The advantage of this policy was that the Council were able to receive some additional funds without asking local people to contribute any more through the Council Tax system.
- 7.4 This disadvantage was that the Council's overall tax base would decline each year, as the additional funds provided could not increase cumulatively. Accordingly, The Chartered Institute of Public Finance and Accountancy (CIPFA) has estimated that had Council Tax risen in line with the Retail Prices Index measure of inflation of the course of the last Parliament, average council tax bills would be £168 higher next year, yielding an extra £2.8bn in funding for local authorities. This amount is equivalent to the entire road maintenance budget for the UK or the public health grant for local authorities.
- 7.5 In their Local Government Settlement announced before Christmas, the government announced both that the freeze grant would henceforth be abolished, and that Councils would continue to only be able to raise Council Tax up to 2 per cent without having a run a referendum.

- 7.6 We feel that these dual announcements leave the Council with little option but to increase Council Tax by the maximum allowed in this budget. It is understandable that the Council has decided not to increase Council Tax in previous years to protect residents, but in accepting the freeze grant, Brent has left its Council Tax base at a level several years out of date, and if action is not taken soon this baseline will be far behind what is required to run services in the future.
- 7.7 We also understand that this will have an impact on our residents. We therefore recommend that the Council reviews its Council Tax support scheme including any potential increase which might need to be made to protect the most vulnerable in the borough.
- 7.8 Likewise, the government have also announced that they will allow Councils to increase Council Tax by a further 2 per cent if the money is ring fenced to spend on social care. We feel that this option should also be carefully considered by the Council as a way to prevent the most drastic of cuts in this area.
- 7.9 If these policies are followed with this budget, and those subsequent budgets due in this Council period, around £12 million extra will be raised by the end of the period 2018/19.
- 7.10 The nature of the cuts to the Council's overall grant is so severe that this additional money will not be enough to save the Council from the need to make huge savings, but it could protect some services upon which our most vulnerable residents rely.

Government grant

- 7.11 The local government finance settlement was announced on Thursday 17 December. The initial headline RSG allocation for Brent is lower than previously assumed. This highlights the issue raised in previous Cabinet reports about the problems this uncertainty causes for Brent in its financial planning. The merits of longer-term settlements is something to which the scrutiny panel will return at a later date.

Cllr Matt Kelcher
Chair of Scrutiny Committee and Budget Panel

Members of the Budget Scrutiny Panel

Cllr Janice Long
Cllr Shama Tatler
Cllr Sam Stopp
Cllr Neil Nerva
Cllr Wilhelmina Mitchell- Murray

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ANALYSIS OF CENTRAL ITEMS 2015/16 -2019/20

	2015/16	2016/17	2017/18	2018/19	2019/20
	£'000	£'000	£'000	£'000	£'000
Coroners Courts	233	230	235	240	245
LGA	43	43	44	45	46
London Councils	167	127	165	168	171
LGIU Subscription	26	26	26	26	26
West London Alliance	36	38	40	42	44
Copyright Licensing	20	20	20	20	20
External Audit	380	250	250	250	250
Capital Financing Charges	26,222	25,966	25,550	25,601	25,601
Levies	2,591	2,734	2,884	3,041	3,205
Premature Retirement Compensation	5,000	4,950	4,900	4,850	4,800
LPFA Residual Pension Contributions	488	675	675	675	675
Pension Fund Contribution	1,662	1,662	1,853	2,047	2,245
South Kilburn Development	700	700	700	700	700
Insurance Fund	2,403	2,403	2,403	2,403	2,403
Freedom Pass Scheme Growth	0	0	700	1,400	2,100
Affordable Housing PFI	0	0	37	75	113
Council Elections	100	100	100	100	100
Carbon Tax	248	256	264	272	280
Redundancy and Restructuring Costs	1,054	1,304	1,554	1,804	2,054
Pension Recharges	(880)	(440)	(440)	(440)	(440)
Transformation Enabling Fund	1,159	1,159	1,159	1,159	1,159
SEN Transport	263	263	263	263	263
Other Items	62	62	62	62	62
TOTAL	41,977	42,528	43,444	44,803	46,122

Details of the Central Items are included in Appendix G(ii)

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NON-SERVICE AREA BUDGETS - CENTRAL ITEMS

1. SUMMARY

- 1.1 This Appendix provides details of all other General Fund budgets that are not included within service area budgets. These come under the headings of Central Items in the summary budget at Appendix B.

2. DETAIL

- 2.1 The table to this Appendix summarises the budgetary implications for the council for 2016/17 and the potential requirement for the next three financial years. The following sections of this Appendix take each of the items in turn.

3. AGENCY/THIRD PARTY BUDGETS

- 3.1 Agency and third party budgets are set out below. These are generally payments over which the Council has limited control in the short term.

3.2 CORONERS COMMITTEE

- 3.2.1 Brent is one of five boroughs forming the London Northern District Coroners Courts Committee, namely Haringey (the lead borough), Brent, Barnet, Enfield and Harrow. Haringey deals with the administration, and charges the other boroughs on a population basis. Brent's forecast outturn for 2015/16 is £225k which is lower than the budget of £233k.

- 3.2.2 The 2016/17 budget is not yet available and is not expected before the Brent budget is set. We are expecting the budget to rise by £5k to £230k from the current forecast.

3.3 LOCAL AUTHORITY ASSOCIATIONS

- 3.3.1 The council is a member of the Local Government Association (LGA) and London Councils. The objectives of both organisations are to protect and promote the interests of member authorities, including discussions with central government on legislative issues, and to provide research and statistical information. London Councils concentrate on issues affecting London boroughs.

- 3.3.2 Brent's 2016/17 subscription paid to The Local Government Association has been set at £43k. This is unchanged from the 2015/16 subscription.

- 3.3.3 The London Councils' subscription covers a number of cross London bodies. The 2016/17 joint committee subscription will be levied as follows:

	2016/17
	£'000
London Councils :	
Core	153
London Government Employers	4
Total Main Subscription	<u>157</u>
Young Peoples Education & Skills Board	<u>5</u>
Total	<u>162</u>

The core contribution of £162k for 2016/17 has reduced by 3.3% from the 2015/16 contribution of £167k. In addition the Leaders' Committee approved one-off payments of £25,000 per borough from accumulated Joint Committee reserves and £10,000 per borough from accumulated Transport and Environment Committee reserves thus reducing the payment to £127k. No increases in the core contribution are forecast for future years. In addition to the above other departments receive charges principally the London Councils grants scheme charge of £320k. This is inclusive of a one-off payment from reserves of £18k

3.4 LOCAL GOVERNMENT INFORMATION UNIT

3.4.1 The council subscribes to the Unit. It is an independent research and information organisation supported by around 200 councils. For 2016/17 Brent's subscription is expected to remain unchanged at £26k.

3.5 WEST LONDON ALLIANCE

3.5.1 The West London Alliance is a partnership between a number of West London local authorities, which aims to provide a collaborative service and a clear single voice by lobbying on behalf of the area's residents, service providers and business communities. The subscription for 2016/17 is expected to be £38k.

3.6 COPYRIGHT LICENSING

3.6.1 The Copyright Licensing Agency licenses public and private bodies to photocopy and scan material from books, journals and periodicals. The actual spend in 2015/16 was £17k and it is proposed to continue to budget for £20k in 2016/17.

3.7 EXTERNAL AUDIT

3.7.1 This budget relates to the work undertaken by KPMG in relation to the statutory audit of the Council's financial statements and grant claims. For 2015/16 the budget for external audit fees was £380k. However, following the disbandment of the Audit Commission and the continued savings from the tendering of the audit service this budget has been reduced by £130k to £250k.

4 CAPITAL FINANCING CHARGES AND INTEREST RECEIPTS

4.1 These budgets are a direct result of borrowing to finance capital programme expenditure and are strongly influenced by external factors linked to the economy and the movement of interest rates. Members will be aware of significant changes in recent years and should also reference the Treasury Management Strategy included in Appendix L. They also reflect the overall level of the capital programme (see Section 14). The two budgets reviewed in this section are:

- (a) Interest receipts which the council estimates it will receive from positive cash flow and holding reserves during 2016/17.
- (b) Capital Financing Charges, which are the principal repayments and interest on the council's borrowing.

4.2 In the recent past the council has underspent on this budget. This reflected successful debt restructuring exercises, new borrowing at lower than anticipated interest rates, higher than estimated interest receipts and improved cash flow. The current low level of interest rates continues to support the budget, but the capital programme will increase the budget in future years.

4.3 The council is estimated to have £420m of long-term debt outstanding at 30 November 2015 at an average interest rate of around 4.75%. Investments are estimated to average £187m during 2016/17, with an estimated average return of 0.5%, reflecting very low rates on new deposits. Interest on investments is shared between the General Fund and other interest bearing accounts. The budget assumes long term borrowing will be at 3.0% rising to 5% in later years, although some borrowing may be taken at lower variable rates.

4.4 The net budget for 2016/17 for interest receipts and capital financing charges is £25.966m. It is forecast that interest earned on deposits in 2015/16 will amount to £2.270m and the estimate for 2016/17 is £2.354m, this now includes interest received from the loan to the West London Waste Authority. It is expected that interest rates will rise during 2016 but the timing is dependent on the state of the national economy and international markets in 2016/17.

5. LEVYING BODIES

- 5.1 Levying bodies are defined by statute. They have an absolute right to demand payment from the council and that payment must be met from the General Fund.
- 5.2 Levies estimated to be paid in 2016/17 are shown below.

	2015/16 Actual £'000	2016/17 Estimate £'000
Lee Valley Regional Park	249	249
London Pension Fund Authority	314	314
Environment Agency	190	194
West London Waste Authority – Fixed Cost Element	1,786	1,786
Contingency	52	191
	2,591	2,734

- 5.3 A council tax base for 2016/17 of 89,254 was agreed by General Purposes Committee on 25 January 2016. All the levies are calculated on each authority's relative tax base. This means that changes in levies paid by Brent may not be exactly the same as increases or decreases in the budgets of the levying bodies. The reduction in the West London Waste Authority for 2016/17 levy partly reflects reductions in the overall costs but also changes in the charging mechanism where costs have transferred between the fixed cost and the pay as you throw (PAYT) elements.

5.4 Lee Valley Regional Park Authority (LVRPA)

LVRPA is funded by a levy on all London Boroughs, Essex and Hertfordshire County Councils and Thurrock Unitary Authority. Its purpose is to *“regenerate, develop and manage some 10,000 acres of Lee Valley which had become largely derelict and transform it into a unique leisure and nature conservation resource for the benefit of the whole community.”* The LVRPA has not yet announced any change in its levy for 2016/17 and current estimates remain unchanged from 2015/16 at £249k.

5.5 London Pensions Fund Authority (LPFA)

The LPFA levy is to meet expenditure on premature retirement compensation relating to former employees of the Greater London Council (GLC). It is split between all London Boroughs but Inner London Boroughs bear significantly higher charges.

The LPFA has not announced its levy for 2016/17 and it is currently assumed that it will be unchanged from 2015/16 figure of £314k though it is expected that there will be a small increase from 2016/17 due to changes in Brent's tax base.

5.6 Environment Agency

For 2016/17 most flood defence expenditure will again be funded directly by the Department for Food and Rural Affairs (Defra). As in previous years, a small element remains payable relating to regional schemes, many of them to improve flood defences. The Environment Agency has not finalised its levy for 2016/17 though Brent's levy is expected to rise by £4k to £194k.

5.7 West London Waste Authority (WLWA)

WLWA was established by statute in 1986. It is responsible for the waste disposal of six boroughs. These boroughs are Brent, Ealing, Harrow, Hillingdon, Hounslow and Richmond-upon-Thames. The boroughs are responsible for the collection of waste in their areas.

5.8 The charges from the WLWA are split into two parts - a fixed element and a variable element. The fixed charge is apportioned according to each constituent authority's council tax bases before the start of the financial year and is included in the central levy costs. The variable element is called Pay As You Throw (PAYT) and is charged according to the tonnages delivered to WLWA. Charges vary depending on the type of waste sent for disposal such as landfill or organic waste and these costs are paid for by Regeneration & Environment.

5.9 2014-15 was the first full year of the West London Residual Services Contract which is to provide interim landfill services pending the construction of the Energy for Waste Plant in South Gloucestershire. For 2016/17 the costs of the WLWA are expected to fall by £4.1m of which the fixed levy element is £0.6m. This reduction in the fixed levy would be spread across the six participating authorities. Consequently Brent is expecting the levy to fall in 2016/17 from its current level of £1.786m though final figures for this are still awaited.

5.10 At present without firm indications from the levying bodies the overall planned budget for 2016/17 of £2.734m has not been amended therefore we are currently holding a contingency within the Levies Budget to fund any variation in charges that may arise during 2016/17.

6. PREMATURE RETIREMENT COMPENSATION (PRC) AND PENSION CONTRIBUTIONS

- 6.1 There are three elements to this. The main element is the ongoing revenue cost of pensions caused by premature retirements that do not fall on the Pension Fund, which took place primarily up to 31st March 1994. The amount paid to pensioners is usually uplifted by the Consumer Price Index (CPI) inflation rate applicable in the previous September (-0.1%). As the inflation percentage was negative the Government may agree a discretionary increase for 2016/17 though we are still awaiting confirmation. It is now estimated that a provision of £4.950m will be required in 2016/17 reflecting both a small increase in inflation and the reducing numbers of pensioners to which this applies.
- 6.2 The second element relates to the residual costs of Middlesex County Council pension scheme which pre-dated the Brent Council Scheme. Brent has budgeted for these costs as part of the overall PRC costs and this is now been separated out for clarity. However, Brent has not been charged by the LPFA for the costs relating to this scheme since the last members of the scheme retired. Changes in regulations and a forthcoming actuarial review mean LPFA will be able to charge Brent and there remains a high degree of uncertainty about these residual costs in future. For 2016/17 a budget of £675k has been provided.
- 6.3 The third element of £1.662m covers the annual contribution to Brent's pension scheme following the actuarial review for 2014/15 to 2016/17. This is likely to increase with the next actuarial review from 2017/18.

7. SOUTH KILBURN DEVELOPMENT

- 7.1 This covers a number of regeneration projects in South Kilburn. The budget is identified for work on the decanting of residents, legal costs, independent advice for residents and other consultant fees. The budget for 2016/17 remains unchanged at £700k.

8. INSURANCE FUND

- 8.1 The council operates an Insurance Fund in order to self insure its buildings and contents as well as to cover employee and third party legal liabilities and professional indemnity, though it has insurance policies to limit the council's overall exposure to large scale catastrophic events. The authority has an excess of £311k on any particular claim and has a maximum exposure of £3.5m in any financial year. These arrangements are in place to minimise the council's costs as opposed to covering all costs through external insurance. Service areas are charged insurance premiums for buildings, contents and vehicles. The level of the Fund is reviewed against the known and potential level of liabilities for claims. Members have been informed in previous years that the amount in the Fund needed to be reviewed closely and significant on-going contributions would be required to ensure the Fund has resources to meet current and future claims.
- 8.2 The main strains on the Fund are as follows:

(i) Tree Roots

The council operates a Tree Root Fund in order to cover structural damage to third party properties. The Tree Root Fund runs on a self insurance basis though the Council has a stop loss cover of £3.5m to limit our exposure. In recent years insurers have reassessed the way they undertake and deal with subsidence claims and these matters are now being fast tracked with the previous average of some three to four years in settling a claim being brought down to closer to 12 months. Insurers have also been seeking 100% of the damages from local authorities and costs have risen as insurers now instruct solicitors to handle claims that were previously dealt with by loss adjusters. This has all meant that there has been a steady upward pressure on settlement costs for subsidence claims and the council has adopted an amended tree maintenance policy to combat this. Work continues between the Insurance Section, Community Services, and the Loss Adjusters on improving the way claims are being dealt with to help reduce costs.

(ii) Third Party Claims

The vast majority of third party claims relate to accidents by members of the public. Although there has been a downward trend in claims numbers in recent years, settlement costs per claim have risen to such a level that it effectively wipes out any savings made by lower numbers of claims. It is hoped that the implementation of the Ministry of Justice's Claims Portal will start to reduce claim costs and the council has now outsourced its highways operations under the LoHAC Framework so more liabilities should transfer to the supplier.

- 8.3 The overall cost of insurance was reduced by £200k in 2015/16 to reflect better renewal terms and optimisation of excesses. This will be maintained in 2016/17. A retendering exercise will be carried out for procuring insurance cover from October 2016, and it is hoped that some slight further savings can be achieved as a result of this. However most of the achievable savings have been already been realised. The budget for 2016/17 will remain unchanged at £2.403m.

9. FREEDOM PASS SCHEME GROWTH

- 9.1 The Freedom Pass Scheme provides free off peak travel for all people in London aged 60 or over. People with disabilities are funded for 24-hour travel on almost all tube and bus services and off peak on National Rail and independently operated bus services in Greater London. From April 2008, the government introduced free off peak bus travel for all people aged 60 or over and people with disabilities to use anywhere in the UK and provided central funding to meet the additional cost of free off peak travel for non-residents.
- 9.2 For 2016/17 the cost of concessionary fares increased to £16.284m from £16.091m an increase of £193k. Overall, the costs of concessionary fares have increased by 0.8% for London Councils and 1.2% for Brent. The largest element in the increase relates to TfL fares which increased by 1% and was based on the July 2015 RPI inflation rate.

- 9.3 For future years the assumption for the budget is that fares will increase by 2.0% and that there will be 2.3% increase in the volume of journeys as more people qualify for concessionary fares. For 2016/17 the increase in concessionary fares has been included within the Adults budget.

10. PRIVATE FINANCE INITIATIVES - PFI

- 10.1 This section includes details of the Affordable Housing PFI.
- 10.2 Funding for the Affordable Housing PFI was agreed in the 2007/08 budget. This involved a transfer from capital financing charges for unsupported borrowing – which had previously been used to fund the council’s contribution to funding of affordable housing schemes - to fund the PFI. The budget increased gradually to 2011/12 as properties were delivered and then by 2.5% thereafter. Dwellings are owned by Hyde Housing and are non-HRA. Rent collection has largely been a Hyde risk.
- 10.3 The PFI is governed by the single project agreement which reached financial close on 6th July 2010. This comprised the construction of 384 dwellings in total of which 20 are supported living units split between a 15 bed and a 5 bed development. All of the 384 dwellings were successfully handed over as programmed. The PFI contractor BCE also provides full housing management and maintenance services for the dwellings.
- 10.4 As a result of housing benefit changes a deficit is projected to arise over the remainder of the contract. In order to reduce this deficit a number of revisions have been negotiated to the Project Agreement and these were approved by Cabinet in November 2014 and a revised contract was entered into in April 2015. These revisions provide for the Council to use the PFI units more flexibly including by letting units at affordable rent equivalent or a discounted rent and also defer the obligation to convert a number of the units to social housing. While these measures will reduce the deficit modelling indicates that they will not eliminate it. Further options to eliminate the deficit are currently being explored.
- 10.5 At the end of the contract, the Council will be able to recover up to £2m or 50% of the increase in value resulting from the 158 affordable units being secured as affordable rented instead of social rented units. It is anticipated that this will further reduce the overall deficit.
- 10.6 The Council will contribute £1.419m to this scheme in 2016/17, and this includes an increase of £36k when compared to 2015/16 to reflect the Council’s agreed contribution to the scheme. The contribution for 2016/17 is included in Regeneration and Environment department’s budget.

11. COUNCIL ELECTIONS

- 11.1 This is a budget to cover the costs of the 2018 local elections; a budget of £100k will be provided for each year and rolled up into a reserve which can be used to pay for the elections. It will also cover any costs of by-elections up to the time of the next local elections.

12. CARBON TAX

- 12.1 The Carbon Reduction Commitment (CRC) Energy Efficiency Scheme is a mandatory UK-wide scheme that is designed to incentivise large public and private sector organisations to take up cost-effective energy efficiency opportunities through the application of reputational and financial drivers. Organisations will be required to purchase credits to cover CO₂ emissions for any given year. Monies are to be retained by the government to support public finances and environmental initiatives. Phase 1 of the CRC scheme ended in March 2014 and a second phase runs from April 2014 for 5 years until 2018/19. Government has recently consulted on carbon reporting, and in it the Treasury has suggested scrapping the Carbon Reduction Commitment. The consultation was launched at the end of September 2015 and concluded in November, with the Government expected to publish its full response in the 2016 Budget in March.

- 12.2 For 2015/16 the authority budgeted for a CRC payment of £248k. Organisations have the option of purchasing allowances in advance at a discounted. In 2015/16 Brent took advantage of purchasing allowances in advance for both 2015/16 and part of 2016/17. The government has not yet announced the discounted and non discounted rates for 2016/17 but it is expected to rise by RPI to £16.60 and £17.10 per tonne respectively an increase of 1.2%. The authority is currently assessing its options for purchasing allowances for 2016/17 in the light of the review of CRC and the possibility it may not continue in the future. For 2016/17 we are budgeting for a CRC payment of £256k.

13. REDUNDANCY COSTS

- 13.1 As part of the Authority's budget a number initiatives have been in place to rationalise and improve the Council's services and meet savings required by central government. This process of rationalising council structures will continue during 2016/17. The Council therefore needs to make provision for any redundancy and severance costs. In order to make this budget more self-reliant and rely less on using the redundancy and restructuring reserve to meet the one off costs of restructures an additional £250k is being added to the 2016/17 budget and future budgets up to 2019/20. The redundancy budget will therefore increase to 1.304m for 2016/17.

14. PENSIONS FUND RECHARGES

- 14.1 This income budget covers the charges made by the general fund to the Pension Fund in respect of administrative expenses from Finance, Human Resources and Democratic Services. A review of this budget following changes

in staffing structures and the implementation of the oracle system mean that for 2016/17 this budget can reduce from £880k to £440k.

15. TRANSFORMATION ENABLING FUND

- 15.1 The budget for the Transformation Enabling Fund provides monies to support the Programme Management Office in helping service areas achieve the delivery of savings and cost avoidance measures set out in the One Council Programme. The budget for 2016/17 has reduced from £1,390 to £1,159k following an in year transfer of resources to the commissioning budget.

16. SEN TRANSPORT

- 16.1 The Transport budget was rationalised during 2015/16 with budget transfers replacing previously recharged income so as to help with the monitoring and control of this budget. Two elements relating to SEN Transport are now held centrally. The first is the funding pressure of £1.2m resulting from the increasing number of SEN pupils. The second relates to SEN Transport recharge of £937k to the schools budget which did not form part of the budget rationalisation. This gives a net budget of £263k. This budget is expected to remain unchanged for 2016/17.

	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	Total £m
Original budget - March 2015	179.8	74.4	0.0	0.0	0.0	254.2
Carry Forward from 2014/15	19.2	0.0	0.0	0.0	0.0	19.2
Amended Original Budget	199.0	74.4	0.0	0.0	0.0	273.4
Re-Phasing Adjustments:						
General Fund	(77.5)	11.3	66.2	0.0	0.0	0.0
HRA	(17.9)	17.9	0.0	0.0	0.0	0.0
Re-Phased Amended Original Budget	103.6	103.6	66.2	0.0	0.0	273.4
Ongoing Programmes of Work not included in previous budget forecast:						
Transport for London	2.0	0.0	0.0	0.0	0.0	2.0
S106 Allocations 2016/17	0.0	3.8	0.0	0.0	0.0	3.8
Primary & Secondary Schools	0.0	0.0	0.0	14.5	4.1	18.6
NAIL Accommodation	0.0	0.0	0.0	0.9	0.7	1.6
Housing	0.0	0.0	0.0	0.0	0.0	0.0
Contingencies & Capitalisation	0.0	0.0	0.0	0.6	0.6	1.2
HRA	0.0	50.8	43.3	0.0	0.0	94.1
Reduced Requirement for Budgetary Provision:						
School Expansions	(1.0)	(3.5)	(14.9)	0.0	0.0	(19.4)
S106	(5.4)	0.0	0.0	0.0	0.0	(5.4)
Unallocated Rolling Programmes Removed	0.0	(1.1)	0.0	0.0	0.0	(1.1)
Averaged provision for Rolling Programmes	0.0	(1.1)	0.0	0.0	0.0	(1.1)
Devolved Formula Capital	0.0	(0.1)	0.0	0.0	0.0	(0.1)
Additional Schemes Approved by Cabinet:						
GLA High Street Fund	0.6	0.0	0.0	0.0	0.0	0.6
DECC Central Heating Fund	0.4	0.0	0.0	0.0	0.0	0.4
Public Mortuary Shared Service Refurbishment	0.2	0.0	0.0	0.0	0.0	0.2
Street Lighting - LED Replacement & CMS	1.3	6.5	0.0	0.0	0.0	7.8
Gordon Brown - Replacement of Shrubbery Building	0.0	0.5	0.0	0.0	0.0	0.5
Church End Regeneration	0.0	0.0	4.1	4.1	0.0	0.0
Additional Schemes Not Previously Agreed by Cabinet:						

London Road Temporary Accommodation Scheme	0.3	0.0	0.0	0.0	0.0	0.3
Knowles House Combined Temporary Accommodation & NAIL Scheme	0.1	0.0	0.0	0.0	0.0	0.1
NAIL ACCOMODATION - Clock Cottage	0.1	2.1	1.3	0.0	0.0	3.5
South Kilburn Advance Acquisitions	0.0	1.3	0.0	0.0	0.0	1.3
CCTV - MOVING TRAFFIC CONTRAVENTIONS - PHASE 2	0.0	0.0	0.0	0.0	0.0	0.0
Allotments - Priority Works	0.1	0.0	0.0	0.0	0.0	0.1
Wembley High Road Footpaths - Condition Works	0.0	0.0	0.0	0.0	0.0	0.0
Ace Café - Traffic Calming Measures	0.1	0.0	0.0	0.0	0.0	0.1
Funding Vired from Unallocated Budget	(0.2)	0.0	0.0	0.0	0.0	(0.2)
Transfer of Monies to Contingencies & Capitalisation						
PSRDFG	0.0	(0.2)	0.0	0.0	0.0	(0.2)
South Kilburn Regeneration	0.0	(0.3)	(0.3)	0.0	0.0	(0.6)
Primary & Secondary Schools	0.0	(0.6)	(3.4)	0.0	0.0	(4.0)
Contingencies & Capitalisation	0.0	1.1	3.7	0.0	0.0	4.8
Revised Budget March 2016	102.2	162.8	100.0	20.1	5.4	390.5

Capital Programme	Proposed 15-16 Budget £m	Proposed 16-17 Budget £m	Proposed 17-18 Budget £m	Proposed 18-19 Budget £m	Proposed 19-20 Budget £m	Total £m
General Fund						
Affordable Housing	0.5	0.2	1.2	0.0	0.0	1.9
Air Quality Works	0.1	0.0	0.0	0.0	0.0	0.1
Ark Academy	0.8	0.0	0.0	0.0	0.0	0.8
Asset Management Plan	0.6	0.0	0.0	0.0	0.0	0.6
Barham Park Charitable Trust Account	0.1	0.0	0.0	0.0	0.0	0.1
Barham Park Housing CPOs	0.4	0.0	0.0	0.0	0.0	0.4
Bridge Park Regeneration	0.0	1.4	0.0	0.0	0.0	1.4
Carbon Reduction Measures	0.1	0.0	0.0	0.0	0.0	0.1
CCTV	0.2	0.0	0.0	0.0	0.0	0.2
Cemetery and Mortuary Service	0.0	0.0	0.0	0.0	0.0	0.0
Chalkhill	0.5	0.0	4.1	4.1	0.0	8.7
Church End Regeneration	0.4	0.6	0.0	0.0	0.0	1.0
Civic Centre	0.9	0.8	0.0	0.0	0.0	1.7
Crest Academies	0.9	0.0	0.0	0.0	0.0	0.9
Delivering the Sports Strategy	1.2	0.0	0.0	0.0	0.0	1.2
Devolved Capital	0.5	1.4	0.0	0.0	0.0	1.9
Enfranchisement	0.7	0.0	0.0	0.0	0.0	0.7
Expansion of Secondary/Primary School Places	20.0	35.0	23.3	14.6	4.1	97.0
GLA Refit Programme	0.8	0.0	0.0	0.0	0.0	0.8
ICT Initiatives	0.5	0.4	0.0	0.0	0.0	0.9
Increasing PVI nursery provision for two year olds	0.2	0.0	0.0	0.0	0.0	0.2
Landscaping	0.7	0.0	0.0	0.0	0.0	0.7
New Accommodation for Independent Living Parks	0.2	5.7	2.5	0.1	0.0	8.5
Pavements, Roads and Streetscene/Street Trees	0.9	0.2	0.0	0.0	0.0	1.1
Pavements, Roads and Streetscene/Street Trees	4.6	3.7	0.0	0.0	0.0	8.3
Planning & Major Projects Schemes	1.1	0.2	0.0	0.0	0.0	1.3
Private Sector Renewal Support Grant and Disabled Facilities Grant council	4.7	3.9	0.0	0.0	0.0	8.6
Property Schemes	0.1	0.5	0.0	0.0	0.0	0.6
Public Mortuary	0.2	0.0	0.0	0.0	0.0	0.2
Schools Asset Management Plan	1.3	2.7	0.0	0.0	0.0	4.0
South Kilburn Regeneration Project	6.1	19.2	21.2	0.0	0.0	46.5
Street Lighting	1.4	6.5	0.0	0.0	0.0	7.9
Supported Living to Extra Care	0.0	3.0	0.7	0.7	0.7	5.1
The Library At Willesden Green	9.7	0.0	0.0	0.0	0.0	9.7
Transport for London Funded Schemes	5.8	3.7	0.0	0.0	0.0	9.5
S106 Allocations 2016/17	0.0	3.8	0.0	0.0	0.0	3.8
Programme Contingencies and Capitalisation	2.1	1.2	3.7	0.6	0.6	8.2
General Fund Total	68.3	94.1	56.7	20.1	5.4	244.6

HRA						
Additional Affordable Housing	3.8	34.9	43.3	0.0	0.0	82.0
Disabled Facilities Works (on council properties)	0.9	0.9	0.0	0.0	0.0	1.8
Energy and Environmental Improvements	2.3	3.0	0.0	0.0	0.0	5.3
Major repairs on council properties	26.9	29.9	0.0	0.0	0.0	56.8
HRA Total	33.9	68.7	43.3	0.0	0.0	145.9
Grand Total	102.2	162.8	100.0	20.1	5.4	390.5

	Proposed Use of Funding in 15-16 £m	Proposed Use of Funding in 16-17 £m	Proposed Use of Funding in 17-18 £m	Proposed Use of Funding in 18-19 £m	Proposed Use of Funding in 19-20 £m	Total Funding £m
General Fund						
Government Grant						
Basic Need Grant	10.2	35.5	26.7	15.2	4.7	92.3
Better Care Fund - Disabled Facilities Grant	1.9	1.9	0.0	0.0	0.0	3.8
Better Care Fund - Social Care Capital Grant	0.0	1.5	0.7	0.7	0.7	3.6
Capital Maintenance for LA schools	1.8	2.7	0.0	0.0	0.0	4.5
Devolved Formula Capital	0.5	1.4	0.0	0.0	0.0	1.9
Greater London Authority Mayor's Housing Covenant	0.0	0.9	0.0	0.0	0.0	0.9
Public Health Grant	0.1	0.0	0.0	0.0	0.0	0.1
Targeted Basic Need Grant	0.5	0.0	0.0	0.0	0.0	0.5
Targeted Capital Fund	2.8	0.0	0.0	0.0	0.0	2.8
The Growth Fund	0.3	0.0	0.0	0.0	0.0	0.3
Transport for London	5.8	3.7	0.0	0.0	0.0	9.5
Subtotal Government Grant	23.9	47.6	27.4	15.9	5.4	120.2
						0.0
External Contributions	11.7	2.3	0.0	0.0	0.0	14.0
Capital Receipt	10.0	23.5	17.6	0.0	0.0	51.1
Corporate Borrowing	7.6	4.5	0.0	0.0	0.0	12.1
Internal Contribution	4.2	0.0	3.9	0.0	0.0	8.1

Capital Programme – Income & Expenditure

Appendix J(ii)

Non-Government Grant	0.2	0.0	0.0	0.0	0.0	0.2
Section 106	6.8	4.6	1.0	0.0	0.0	12.4
Self Funded Borrowing	3.9	11.6	6.8	4.2	0.0	26.5
General Fund Total	68.3	94.1	56.7	20.1	5.4	244.6
HRA						
Retained RTB Receipts	0.5	6.0	7.1	0.0	0.0	13.6
HCA Grant	2.1	0.5	0.0	0.0	0.0	2.6
Unsupported Borrowing	1.2	28.4	36.2	0.0	0.0	65.8
Major Repairs Reserve	27.8	31.5	0	0	0	59.5
Revenue Contribution to Capital	2.3	2.3	0	0	0	4.6
HRA Total	33.9	68.7	43.3	0	0	145.9
Grand Total	102.2	162.8	100	20.1	5.4	390.5

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Appendix 1**TREASURY MANAGEMENT STRATEGY STATEMENT****Introduction**

1. The Chartered Institute of Public Finance and Accountancy's Code of Practice for Treasury Management in Public Services requires local authorities to determine their Treasury Management Strategy Statement (TMSS).
2. As per the requirements of the Prudential Code of Practice, 2011, the Authority has adopted the CIPFA Treasury Management Code and reaffirmed its adoption at its annual Budget meeting, most recently on 3 March 2014.
3. The purpose of this TMSS is, therefore, to set out the following:
 - i. Treasury Management Strategy for 2016/17
 - ii. Annual Investment Strategy for 2016/17

The approved Strategies will be implemented from the date of approval by the Council.

4. The Authority has borrowed £420m of long term debt and has £186m invested at 30 November, 2015 and, therefore, has potentially large exposures to financial risks including the loss of invested funds and the effect of changing interest rates. The successful identification, monitoring and control of risk is, therefore, central to the Authority's Treasury Management Strategy.

Capital Financing Requirement

- 5 The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR). The CFR, together with usable reserves, are the core drivers of the Authority's Treasury Management activities.
- 6 At 30 November, 2015 the Authority's had £420m of long term debt and £186m of investments. These are set out in further detail below.

Existing Investment & Debt Portfolio Position

Table 1

	30/11/2015 Actual Portfolio £m	30/11/2015 Average Rate %	31/3/2015 Average rate %
External Borrowing:			
PWLB – Maturity	288	5.01	5.01
PWLB – EIP	36	2.55	2.55
LOBO Loans	96	4.78	4.75
Total Gross External Debt	420	4.75	
Investments:			
Market Deposits	174	0.52	0.59
Money Market Funds	12	0.51	0.46
Total Investments	186	0.52	0.59
Net Debt	234		

- 7 The movement in actual external debt and usable reserves combine to identify the Authority's borrowing requirement and potential investment strategy in the current and future years. The Authority's current strategy is to maintain borrowing at the lowest level possible unless interest rate prospects present a clear case for taking long term borrowing ahead of immediate requirements. The Council's CFR is greater than its borrowing and this is likely to continue over the medium term. However, the increased emphasis on imaginative capital investment to transform the financial position will require some amendments to the detail of this strategy, although the core principle of minimizing borrowing costs will remain.

Interest Rate Forecast

- 8 Arlingclose forecast that official UK Bank Rate will remain at 0.5%, possibly into 2016. Any rise would then be relatively modest. Officers will monitor developments with the advice of Arlingclose but giving due regard to other published information. The advice of Arlingclose is broadly consistent with that of other market commentators although some focus on a slightly earlier rise

Borrowing Strategy

- 9 The Council currently holds a significant cash balance at present and this seems likely to continue for the next two or three years at least. This occurs in a situation in which longer term rates are significantly in excess of short term rates. If borrowing is undertaken in this environment there will be a net cost of holding this money until it is used, sometimes called the "cost of carry". As borrowing is often for longer dated periods (anything up to 60 years) the cost of

carry needs to be considered against a backdrop of uncertainty and affordability constraints in the Authority's wider financial position. Therefore the Council does not intend to borrow in advance of need to fund its activities.

- 10 The Authority will adopt a flexible approach to any future long-term borrowing in consultation with its treasury management advisers, Arlingclose Ltd. The following issues will be considered prior to undertaking any external borrowing:
- Affordability;
 - Maturity profile of existing debt;
 - Interest rate and refinancing risk;
 - Borrowing source.

Sources of Borrowing and Portfolio Implications

- 11 In conjunction with advice from Arlingclose, the Authority will keep under review the following borrowing sources:
- Internal balances
 - PWLB
 - Other local authorities
 - European Investment Bank
 - Leasing
 - Structured finance
 - Capital markets (bonds, stock issues, commercial paper and bills)
 - Commercial banks

As the Council did not foresee an immediate need to borrow, it did not take any part in setting up the Local Government Bond Agency. The question of joining the Agency, or issuing bonds in our own name, are being kept under review and both remain possibilities should the prospective level of capital spending make the costs entailed seem attractive.

- 12 The cost of carry has resulted in an emphasis on the use of internal resources and then increased use of shorter dated borrowing and repayment by Equal Instalments of Principal (EIP). This type of borrowing injects volatility into the debt portfolio in terms of interest rate risk but is counterbalanced by its affordability and borrowing costs closer to investment returns. It also maintains an element of flexibility to respond to possible future changes in the requirement to borrow. The Authority's exposure to shorter dated and variable rate borrowing is kept under regular review.
- 13 The Authority has £95.5m exposure to LOBO loans (Lender's Option Borrower's Option) of which £56.0m of these can be "called" within 2016/17. A LOBO is called when the Lender exercises its right to amend the interest rate on the loan, at which point the Borrower can accept the revised terms or reject them and repay the loan without penalty. LOBO loans present a potential refinancing risk to the Authority since the decision to call a LOBO is entirely at the lender's discretion which is compensated for by a lower interest rate being paid. This risk is somewhat mitigated by the fact that the Council's current cash holdings mean that any repayment could be accommodated by reducing deposits in a relatively short time.

- 14 Any LOBOs called will be discussed with Arlingclose prior to acceptance of any revised terms. The default position will be the repayment of the LOBO without penalty i.e. the revised terms will not be accepted. In the current environment it is unlikely that LOBOs will be called, but officers are confident that if any are these could be repaid from resources available, or refinanced more cheaply if this was felt to be advantageous.

Debt Rescheduling

- 15 The Authority's debt portfolio can be restructured by prematurely repaying loans and refinancing them on similar or different terms to achieve a reduction in risk and/or savings in interest costs.
- 16 The lower interest rate environment and changes in the rules regarding the premature repayment of PWLB loans have adversely affected the scope to undertake worthwhile debt restructuring although occasional opportunities arise. The rationale for undertaking any debt rescheduling or repayment would be one or more of the following:
- Reduce investment balances and credit exposure via debt repayment
 - Align long-term cash flow projections and debt levels
 - Savings in risk adjusted interest costs
 - Rebalancing the interest rate structure of the debt portfolio
 - Changing the maturity profile of the debt portfolio
- 17 The possible benefit of undertaking a restructuring needs to be carefully evaluated as it depends on how the repayment is resourced. Officers will monitor the portfolio together with Arlingclose and remain alert for opportunities where the potential savings justify the risks involved. Borrowing and rescheduling activity will be reported to the Cabinet and Council in the Annual Treasury Management Report and the mid year report.

Annual Investment Strategy

- 18 In accordance with investment guidance issued by the Department for Communities and Local Government (CLG), and best practice, this Authority's primary objective in relation to the investment of public funds remains the security of capital. The liquidity or accessibility of the Authority's investments is secondary, followed by the yield earned on investments.
- 19 The graph in Annex D shows a comparison between Brent's portfolio and that of Arlingclose's other clients. Brent's portfolio has a very low risk compared with many of the others, but also a lower yield than would be expected for that risk. Brent currently uses quite a narrow range of the instruments which are available, chosen because they are short term and with highly rated counterparties, principally the UK government, local authorities and major UK banks. Additional yield can be offered either in return for higher inherent risk or reduced liquidity (i.e. longer maturities or lower marketability). However, this risk can be mitigated in a number of ways

- Diversification over a range of counterparties;
- Seeking collateral or additional security for capital invested;
- Focusing on capital strength or sound business models.

Corporate bonds, for example, can give significantly higher yields than our current deposits but give exposure to risks from economic, commercial and operational difficulties. Diversification would involve investing small amounts with a large number of companies or buying diversified Funds. Seeking additional security could involve exchanging our deposit for known high credit quality assets, or a claim on a pool of assets. Seeking capital strength would involve investing in companies with high levels of assets in relation to liabilities or a strong fixed asset base, or whose business is not subject to marked fluctuations in activity or profitability. Annex C compares some readily available possibilities.

- 20 The Council has a borrowing portfolio of £420m and a forecast Capital Financing Requirement of £596m for 2015/16. This difference of £176m is costing the Council, at present, 0.5%. If borrowed for 25 years on Equal Instalment of Principal terms, it would cost 2.9%. This difference of 2.4% represents a saving of £4m to the Council, but it also represents an opportunity to invest in the Council.
- 21 Brent currently holds a historically high level of cash which has risen over the last three years. A significant part of this is related to unspent capital grants and Section 106 contributions and it is very likely that this will fall over time. However, there are other elements which will continue to increase levels of cash, such as repayment of long term loans to the Council and Minimum Revenue Provision. It is, therefore, likely that the Council will continue to have significant balances invested for some years. If the likely path of interest rates means that it becomes advantageous to exercise the scope for borrowing referred to above, this will increase substantially.
- 22 The question of lending counterparties, therefore, remains a critical one. A list of extremely secure counterparties would be very small, and the limits with each would be correspondingly high. This exposes the authority to a risk of an unlikely but potentially large loss. This arises because the arrangements for dealing with banks in difficulty now require a loss to be imposed on various categories of liabilities of the banks to allow the bank to recapitalize itself and continue in business (sometimes referred to as bail in). Local authority deposits could be exposed to a loss of up to 40%, beyond which the government would be able to give support. As a consequence, the Council has taken steps to reduce exposure to banks, by shortening maturity limits, by investing principally in instruments which can be sold in the event of warning signs being noticed and by diversifying. The Authority and its advisors remain alert for signs of credit or market distress that might adversely affect the Authority. However, we are also looking at the possibility of using a wider range of instruments which are not subject to bail in, and this would include the instruments referred to in Annex C.

- 23 Investments are categorised as Specified or Non-Specified within the investment guidance issued by the CLG. Specified investments are sterling denominated investments with a maximum maturity of one year. They are also of a high credit quality as determined by the Authority and are not investments that needed to be accounted for as capital expenditure. Non-specified investments are, effectively, everything else. Investments for more than a year remain non-specified until they mature.
- 24 The types of investments that will be used by the Authority and whether they are specified or non-specified are as follows:

Table 2: Specified and Non-Specified Investments

Investment	Specified	Non-Specified
Term deposits with banks and building societies	✓	✓
Term deposits with other UK local authorities	✓	✓
Investments with Registered Providers	✓	✓
Certificates of deposit with banks and Building Societies	✓	✓
Gilts	✓	✓
Treasury Bills (T-Bills)	✓	x
Bonds issued by Multilateral Development Banks	✓	✓
Local Authority Bills	✓	x
Commercial Paper	✓	x
Corporate Bonds	✓	✓
AAA-Rated Money Market Funds	✓	x
Other Money Market Funds and Collective Investment Schemes	✓	✓
Debt Management Agency Deposit Facility	✓	x

- 25 Registered Providers (Housing Associations and Registered Social Landlords) have been included within specified and non-specified investments for 2016/17. Any investments with Registered Providers will be analysed on an individual basis and discussed with Arlingclose prior to investing.
- 26 The minimum credit rating for non-UK sovereigns is AA+ (or equivalent). For specified investments the minimum long term rating for counterparties is A- (or equivalent). Within these criteria the Chief Finance Officer (CFO) will have discretion to accept or reject individual institutions as counterparties on the basis of any information which may become available. The countries and institutions that currently meet the criteria for investments are included in Annex

A. The Council uses the lowest rating quoted by Fitch, Standard and Poor or Moody, as recommended by CIPFA.

- 27 Any institution will be suspended or removed should any of the factors identified above give rise to concern, and caution will be paramount in reaching any investment decision regardless of the counterparty or the circumstances. Credit ratings are monitored continually by the Authority, using the advice of Arlingclose on ratings changes, and action taken as appropriate.
- 28 The Authority banks with National Westminster Bank (Natwest). At present, Natwest does not meet the Authority's minimum credit criteria (its Moody's rating is Baa1). While it does not give cause for immediate concern, its status is being monitored and the necessary actions should it deteriorate have been considered. In the meantime, as far as is consistent with operational efficiency, no money is being placed with Natwest and credit balances in the various Council accounts are being kept to a minimum level.

Investment Strategy

- 29 With short term interest rates expected to remain low for some time, an investment strategy will typically result in a lengthening of investment periods, where cash flow permits, in order to lock in higher rates of acceptable risk adjusted returns
- 30 Following on from the banking crisis of 2008/09 and government interventions to prevent the collapse of the banking system, there has been an increase in legislative restrictions on the extent and manner in which public money can be used in the event of an impending bank failure. In future, governments will be unable to invest public money to rescue banks in difficulty until a significant contribution has been made by those who have certain kinds of investments in the bank concerned, a process called "Bail in". These include deposits by those deemed to be in a position to assess the risk involved, including local authorities.
- 31 Secured deposits of various kinds are not included in bail in provisions. Some other forms of deposits are, but can be sold if felt to be at risk. It is likely that the Council's preferred instruments in lending to institutions without some kind of government guarantee will increasingly be in the form of secured or marketable instruments.
- 32 In order to diversify a portfolio largely invested in cash, investments will be placed with a number of approved counterparties over a range of maturity periods. Maximum investment levels with each counterparty will be set by the Chief Finance Officer to ensure that prudent diversification is achieved.
- 33 Money market funds (MMFs) will be utilised but good treasury management practice prevails, and whilst MMFs provide good diversification, the Authority will also seek to mitigate operational risk by using at least two MMFs where practical. The Authority will also restrict its exposure to MMFs with lower levels of funds under management and will not exceed 0.5% of the net asset value of the MMF. In addition, each Fund will be limited to a maximum deposit of £10m and no more than half the Council's deposits will be placed with MMFs.

- 34 The investment strategy will provide flexibility to invest cash for periods of up to 370 days in order to access higher investment returns, although lending to UK local authorities can be for up to 5 years. The upper limit for lending beyond a year is £20m. In practice, lending for more than one year will be only to institutions of the highest credit quality and at rates which justify the liquidity risk involved. Marketable instruments may have longer maturities, though the maturity will be considered in conjunction with the likely liquidity of the market and credit quality of the institution.
- 35 Annex C summarises the main features of some instruments which the Council does not use at present but may wish to. Before starting to use any of these, Officers will take advice from Arlingclose and adopt suitable guidelines to manage risk from exposure to the new instruments.
- 36 Collective Investment Schemes (Pooled Funds):
The Authority has evaluated the use of Pooled Funds and determined the appropriateness of their use within the investment portfolio. Pooled funds enable the Authority to diversify the assets and the underlying risk in the investment portfolio and provide the potential for enhanced returns. Investments in pooled funds will be undertaken with advice from Arlingclose. The Authority currently has no investments in Pooled Funds at present, but is likely to make prudent use of them in the future.
- 37 Investment Policy:
Treasury Management in the Public Services: Code of Practice (the Code) was updated in November 2011, with a greater focus on risk management and significance of capital security as the Council's primary objective in relation to investments.
- 38 The Council maintains, as the cornerstones for effective treasury management:-
- A treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities;
 - Suitable treasury management practices (TMPs), setting out the manner in which the Council will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.

Policy on Use of Financial Derivatives

- 39 The Authority does not currently use standalone financial derivatives (such as swaps, forwards, futures and options) and will only do so where they can be clearly demonstrated to reduce the overall level of the financial risks that the Authority is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives will not be subject to this policy. Where schemes contain an embedded derivative they will be subject to evaluation as part of the appraisal of the particular scheme.
- 40 Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and any relevant foreign country limit.

- 41 The Authority will only use derivatives after seeking expertise, receiving a legal opinion and ensuring officers have the appropriate training for their use.

Policy on apportioning Housing Revenue Account (HRA)

- 42 Local authorities are required to recharge interest expenditure and income attributable to the HRA in a way which is fair to the HRA without detriment to the General Fund. The guidance is very general, so the Council is required to adopt a policy that will set out how interest charges attributable to the HRA will be determined. The CIPFA Code recommends that local authorities outline this policy in their TMSS.
- 43 As of 1 April 2012, the Council notionally split each of its existing long-term loans into General Fund and HRA pools. Individual loans or parts of loans have been allocated to the HRA, on the basis of achieving the same long term rate as that which applied to the General Fund at the self financing date. In the future, new long-term borrowing will be assigned in its entirety to one pool or the other, allocating the costs and benefits to each accordingly.
- 44 Differences between the value of the HRA loans pool and the HRA's underlying need to borrow will result in a notional element of internal borrowing. This balance will be assessed over the year and interest charged to the HRA at an appropriate rate for short term borrowing. The HRA will also hold reserves and balances which will be invested with the Council, and interest will be paid on identified balances at a rate which recognises that any investment risk is borne by the General Fund.

Monitoring and Reporting on the Treasury Outturn and Prudential Indicators

- 45 The CFO will report to the Audit Committee, Cabinet and Full Council on treasury management activity as follows:
- Annually, against the strategy approved for the year.
 - A mid-year report on the implementation of strategy and main features of the year's activity to date.

Training

- 46 CIPFA's Code of Practice requires the CFO to ensure that all members with treasury management responsibilities, including scrutiny of the treasury management function, receive appropriate training relevant to their needs and understand fully their roles and responsibilities. Arlingclose delivered a training session for members on 19 November, 2015. Staff regularly attend training courses, seminars and conferences provided by Arlingclose, CIPFA and others. Relevant staff are also encouraged to study for professional qualifications from CIPFA and other appropriate organisations.

Treasury Management Advisers

- 47 The Authority uses Arlingclose as Treasury Management Advisers and receives the following services:
- Credit advice
 - Investment advice

- Technical advice
- Economic & interest rate forecasts
- Workshops and training events
- HRA support
- Other matters as required

The Authority maintains the quality of the service with its advisers by holding quarterly meetings and tendering periodically.

Annex A

ANNUAL INVESTMENT STRATEGY 2016/17

List of institutions which meet the Council's credit worthiness criteria:

Jurisdiction	Counterparty
UK	Lloyds TSB/ Bank of Scotland
UK	Barclays Bank plc
UK	Coventry Building Society
UK	Close Brothers Ltd
UK	Goldman Sachs International
UK	HSBC Bank plc
UK	Leeds Building Society
UK	Nationwide Building Society
UK	Santander UK plc
UK	Standard Chartered Bank
Australia	Australia and N Z Banking Group
Australia	Commonwealth Bank of Australia
Australia	National Australia Bank Ltd
Australia	Westpac Banking Corp
Canada	Bank of Montreal
Canada	Bank of Nova Scotia
Canada	Canadian Imperial Bk of Commerce
Canada	Royal Bank of Canada
Canada	Toronto-Dominion Bank
Denmark	Danske Bank
Finland	Pohjola Bank plc
Germany	Deutsche Bank AG
Germany	Landesbank Hessen-Thuringen
Netherlands	Bank Nederlandse Gemeenten
Netherlands	Cooperatieve Centrale Raiffesen
Netherlands	ING Bank NV
Singapore	DBS Bank Ltd
Singapore	Oversea-Chinese Banking Corp

Singapore	United Overseas Bank Ltd
Sweden	Nordea Bank AB
Sweden	Svenska Handelsbanken
Switzerland	Credit Suisse AG
US	JPMorgan Chase Bank NA

The list above represents the institutions which meet the criteria at the time of preparation of the strategy. It does not include institutions to whom we are prepared to lend on the basis of sovereign or quasi sovereign status. The Authority's Chief Finance Officer may introduce new names which meet the criteria from time to time and may adopt more restrictive limits on maturity or value as seems prudent. The Council may also lend any amount to any UK national or local government body for up to 5 years.

An operational list of institutions which are approved to take deposits from the Council will be prepared and circulated to dealing and approving Officers from time to time. A protocol will also be maintained describing how investments will be chosen and managed.

Group Limits - for institutions within a banking group, the authority may lend the full limit to a single bank within that group, but may not exceed the limit for all group members. All direct investments with a bank or group will be subject to that limit.

Annex B

Non-Specified Investments

Instrument

Call accounts, term deposits and Certificates of Deposit (CDs) with banks, building societies and local authorities which do not meet the specified investment criteria (on advice from Arlingclose)

Deposits with registered providers

Gilts

Bonds issued by multilateral development banks

Sterling denominated bonds by non-UK sovereign governments

Money Market Funds rated below AAA and Collective Investment Schemes

Corporate and debt instruments issued by corporate bodies

Collective Investment Schemes (pooled funds) which do not meet the definition of collective investment schemes in SI 2004 No 534 or SI 2007 No 573. These would be capital expenditure.

The Authority will hold up to a maximum of £30m in non-specified investments at any time, which may all be in one category subject to individual counterparty limits.

Annex C

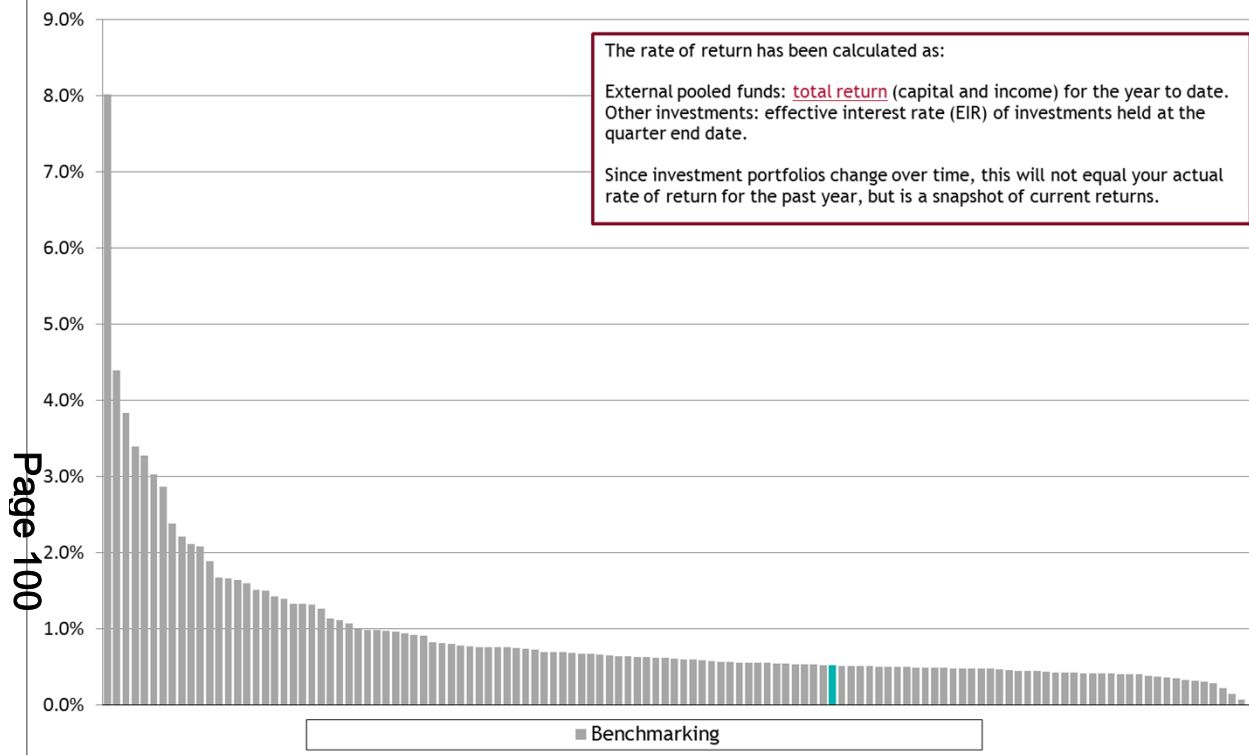
Possible new instruments

All of the instruments are exempt from the risk of being bailed in if the institution borrowing the Council's money is eligible for bail in.

Instrument (and suitable time scale)	Features	Advantages	Disadvantages
Short bond or cash plus funds 6 months – 2 years	Purchase shares Cash invested in a diversified portfolio of liquid securities	Improved yield from various sources Redeemable asset	Volatility low but value could be below purchase price for some periods
Repurchase arrangement (repo) 1 month – 1 year	Loan to counterparty secured by exchange of collateral as security repayment (usually government stocks)	Offers improved yield by allowing extension of maturity limits	Not easily marketable, so would normally be held to maturity
Covered bonds 3 months – 3 years	Bond guaranteed by nomination of a pool of assets as security. Bond will have its own credit rating	Offers improved yield by allowing extension of maturity limits and use of counterparties who would be excluded by their own rating	Marketable but the market price would fluctuate so should be bought with the intention of holding to maturity
Corporate bonds 1 month – 2 years	Loan to company in marketable form. Security is the companies credit rating and assets	Improved yield because of lower liquidity and economic risk. Corporate capital structures are often more secure than financial counterparties	Risks of a different nature to financial counterparties: more exposed to market and economic risk
Corporate bond funds 6 months – 3 years	Purchase shares Cash invested in a diversified portfolio of corporate borrowing	Diversification means reduced risk Wide range of yields depending on liquidity and risk appetite	Higher level of volatility so may have to be prepared to wait to liquidate investment on favourable terms
Property Funds 5 years	Purchase shares Cash invested in a diversified portfolio of properties	Yields can be high by Treasury standards	Can be very volatile and may need long periods to be able to achieve value

Total Return on Total Investment Portfolio (Internal plus External Funds)

The rate of return has been calculated as:
External pooled funds: total return (capital and income) for the year to date.
Other investments: effective interest rate (EIR) of investments held at the quarter end date.
Since investment portfolios change over time, this will not equal your actual rate of return for the past year, but is a snapshot of current returns.



Prudential Indicators, 2015/16 – 2018/19

11.1 Background:

There is a requirement under the Local Government Act 2003 for local authorities to have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities when setting and reviewing their Prudential Indicators.

11.2 Gross Debt and the Capital Financing Requirement:

	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m
Estimated capital financing requirement for:				
- General Fund	457.4	513.5	559.9	553.8
- HRA	138.2	166.6	199.3*	199.3*
- Total	595.6	680.1	762.7	756.6
HRA Limit on Indebtedness:	199.3	199.3	199.3	199.3

*The capital programme in 2017/18 is under review to ensure the HRA Limit on Indebtedness is not breached.

11.3 Estimates of Capital Expenditure:

	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m
Planned capital spending:				
- General Fund	68.3	94.1	56.7	20.1
- HRA	33.9	68.7	43.3	0.0
- Total	102.2	162.8	100	20.1

11.4 Affordability indicators:

The ratio of financing costs to net revenue stream is an indicator of affordability and is based on costs net of investment income:

Ratio of Financing Costs to Net Revenue Stream	2015/16 Approved %	2015/16 Revised %	2016/17 Estimate %	2017/18 Estimate %	2018/19 Estimate %
General Fund	10.49	10.49	10.80	10.97	11.07
HRA	15.01	12.35	12.48	12.32	12.36

Total	11.27	10.60	10.87	10.96	11.07
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11.5 Incremental Impact of Capital Investment Decisions:

The incremental impact of capital investment decisions is an indicator of affordability that shows the impact of capital investment decisions on Council Tax and Housing Rent levels. The incremental impact is calculated by comparing the total revenue budget requirement of the current approved capital programme with an equivalent calculation of the revenue budget requirement arising from the proposed capital programme.

Incremental Impact of Capital Investment Decisions	2015/16 Approved £	2016/17 Estimate £	2017/18 Estimate £	2018/19 Estimate £
Increase in Band D Council Tax	0.00	12.87	20.64	21.95
Increase in Average Weekly Housing Rents	0.00	1.02	3.30	4.55

11.6. Authorised Limit and Operational Boundary for External Debt:

11.6.1 The Authority has an integrated treasury management strategy and manages its treasury position in accordance with its approved strategy and practice. Overall borrowing will therefore arise as a consequence of all the financial transactions of the Authority and not just those arising from capital spending reflected in the CFR. The Authorised Limit is the statutory limit determined under Section 3(1) of the Local Government Act 2003 (referred to in the legislation as the Affordable Limit).

11.6.2 The Operational Boundary has been set on the estimate of the most likely, i.e. prudent but not worst case scenario with sufficient headroom over and above this to allow for unusual cash movements. The Operational Boundary and Authorised Limit are prepared on the same basis but the Authorised Limit includes additional headroom to allow for strategic decisions which may increase borrowing for short periods.

	2015/16 Approved £m	2015/16 Revised £m	2016/17 Estimate £m	2017/18 Estimate £m	2018/19 Estimate £m
Authorised Limit	750	790	850	970	950
Operational Boundary	650	690	750	870	850

11.7 Upper Limits for Fixed Interest Rate Exposure and Variable Interest Rate Exposure:

11.7.1 These indicators allow the Authority to manage the extent to which it is exposed to changes in interest rates. This Authority calculates these limits on net principal outstanding sums (i.e. fixed rate debt net of fixed rate investments).

11.7.2 The upper limit for variable rate exposure has been set to ensure that the Authority is not exposed to interest rate rises which could adversely impact on the revenue budget. The limit allows for the use of variable rate debt to offset exposure to changes in short-term rates on investments

	Existing level at 01/01/16 %	2015/16 Approved %	2015/16 Revised %	2016/17 Estimate %	2017/18 Estimate %	2018/19 Estimate %
Upper Limit for Fixed Interest Rate Exposure	100	100	100	100	100	100
Upper Limit for Variable Interest Rate Exposure	40	40	40	40	40	40

11.7.3 The limits above provide the necessary flexibility within which decisions will be made for drawing down new loans on a fixed or variable rate basis; the decisions will ultimately be determined by expectations of anticipated interest rate movements as set out in the Authority's treasury management strategy.

11.8 Maturity Structure of Fixed Rate borrowing:

11.8.1 This indicator highlights the existence of any large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates and is designed to protect against excessive exposures to interest rate changes in any one period, in particular in the course of the next ten years.

11.8.2 It is calculated as the amount of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate. The maturity of borrowing is determined by reference to the earliest date on which the lender can require payment.

11.8.3 LOBOs are classified as maturing on the next call date i.e. the earliest date that the lender can require repayment.

Maturity structure of fixed rate borrowing	Level at 31/12/15 %	Lower Limit %	Upper Limit %
under 12 months	9	0	40
12 months and within 2 years	10	0	20
2 years and within 5 years	9	0	20
5 years and within 10 years	4	0	60
10 years and within 20 years	6	0	100
20 years and within 30 years	0	0	100
30 years and within 40 years	24	0	100
40 years and within 50 years	38	0	100

11.9 Credit Risk:

- 11.9.1 The Authority considers security, liquidity and yield, in that order, when making investment decisions.
- 11.9.2 Credit ratings remain an important element of assessing credit risk, but they are not a sole feature in the Authority's assessment of counterparty credit risk.
- 11.9.3 The Authority also considers alternative assessments of credit strength, and information on corporate developments of and market sentiment towards counterparties. The following key tools are used to assess credit risk:
- Published credit ratings of the financial institution (minimum A- or equivalent) and its sovereign (minimum AA+ or equivalent for non-UK sovereigns);
 - Sovereign support mechanisms;
 - Credit default swaps (where quoted);
 - Share prices (where available);
 - Economic fundamentals, such as a country's net debt as a percentage of its GDP;
 - Corporate developments, news, articles, markets sentiment and momentum;
 - Subjective overlay.
- 11.9.4 The only indicators with prescriptive values remain to be long term credit ratings. Other indicators of creditworthiness are considered in relative rather than absolute terms.

11.10. Upper Limit for total principal sums invested over 364 days:

The purpose of this limit is to contain exposure to the possibility of loss that may arise as a result of the Authority having to seek early repayment of the sums invested.

Upper Limit for total principal sums invested over 364 days	2015/16 Approved £m	2015/16 Revised £m	2016/17 Estimate £m	2017/18 Estimate £m	2018/19 Estimate £m
	20	20	20	20	20

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ADVICE FROM THE CHIEF LEGAL OFFICER

1. INTRODUCTION

This appendix sets out in some detail Members' individual responsibilities to set a legal budget and how Members should approach the task. It also reminds Members about the rules concerning pecuniary interests.

2. WHEN THE BUDGET MUST BE SET

Under Section 31A of the Local Government Finance Act 1992, budget calculations have to be made before 11th March, but they are not invalid merely because they are made on or after 11th March. However, delay in setting the Council Tax will have very serious financial consequences. It will render the Council vulnerable to legal proceedings requiring it to set the tax. In any event, it is important that the tax is set well in advance of 1st April as no sum is payable for Council Tax until 14 days after the date of posting bills. Serious financial losses will accrue very soon from a late setting of Council Tax as income is delayed and interest is foregone.

An important feature of Council Tax is that the statutory budget calculation must be followed exactly. If not the Council Tax resolution will be invalid and void.

3. NOTICE

There is a requirement to publish notice of the amount set for Council Tax in at least one local paper within 21 days of the Council's decision under section 38(2) of the Local Government and Finance Act 1992. There is also a duty to consult with representatives of Non-Domestic Ratepayers about the proposed revenue and capital expenditure before the budget requirement is calculated under section 65 of the Local Government and Finance Act 1992.

4. MEMBERS' FIDUCIARY DUTIES

The obligation to make a lawful budget each year is shared equally by each individual Member. In discharging that obligation, Members owe a fiduciary duty to the Council Taxpayer.

The budget must not include expenditure on items which would fall outside the Council's powers. Expenditure on lawful items must be prudent, and any forecasts or assumptions such as rates of interest or inflation must themselves be rational. Power to spend money must be exercised bona fide for the purpose for which they were conferred and any ulterior motives risk a finding of illegality. In determining the Council's overall budget requirement, Members are bound to have regard to the level of Council Tax necessary to sustain it. Essentially

the interests of the Council Taxpayer must be balanced against those of the various service recipients.

Within this overall framework, there is of course considerable scope for discretion within the 2016/17 financial year, especially on the part of the Cabinet. Setting a budget is not the same as deciding what expenditure will in fact be incurred. To budget for expenditure is to estimate likely expenditure and/or make financial provision for such expenditure. However, Members will bear in mind that in making the budget commitments are being entered which will have an impact on future years. Some such commitments are susceptible to change in future years, such as staff numbers which are capable of upward or downward adjustment at any time. Other commitments however impose upon the Council future obligations which are binding and cannot be adjusted, such as loan charges to pay for capital schemes. For some specific proposals within the overall Budgetary framework, Cabinet decisions have already been made. For some other proposals, subject to relevant consultation where necessary, decisions by the Cabinet will need to be made, especially where the making of such a decision would result or would be likely to result in the permanent closure of a facility used by the public or a permanent and significant reduction in the level of services or facilities provided to the public other than where such closure or reduction in service is considered necessary by the relevant strategic director for reasons of health and safety.

Only relevant and lawful factors may be taken into account and irrelevant factors must be ignored. A Member who votes in accordance with the decision of his or her political group but who does so after taking into account the relevant factors and professional advice will be acting within the law. Party loyalty and party policy are capable of being relevant considerations for the individual Member provided the member does not blindly toe the party line without considering the relevant factors and professional advice and without properly exercising any real discretion.

Under the Brent Member Code of Conduct members are required when reaching decisions to have regard to relevant advice from the Chief Finance Officer and the Monitoring Officer (the Chief Legal Officer). If the Council should fail to set a budget at all or fail to set a lawful budget, contrary to the advice of these two officers there may be a breach of the Code by individual members if it can be demonstrated that they have not had proper regard to the advice given.

5. ARREARS OF COUNCIL TAX AND VOTING

In accordance with section 106 of the Local Government Finance Act 1992 (“the 1992 Act”), where a payment of Council Tax that a member is liable to make has been outstanding for two months or more at the time of a meeting, the Member must disclose the fact of their arrears (though they are not required to declare the amount) and cannot vote on any of the following matters if they are the subject of consideration at a meeting:

- (a) Any decision relating to the administration or enforcement of Council Tax.

- (b) Any budget calculation required by the Local Government Finance Act 1992 underlying the setting of the Council Tax.
- (c) Any recommendation, resolution or other decision which might affect the making of the Annual Budget calculation.

Members should note the following points:

- (i) These rules are extremely wide in scope. Virtually any Council decision which has financial implications is one which might affect the making of the budget underlying the Council Tax for next year and thus is caught. The former DoE (now DCLG) shared this interpretation as it made clear in its letter to the AMA dated 28th May 1992.
- (ii) The rules do not apply just to full Council meetings but extend to committees and sub-committees of the Council and to the Cabinet and its Highways Committee.
- (iii) Members who make a declaration are not entitled to vote on the matter in question but are not prevented by the section from taking part in the discussion.
- (iv) Members will have a defence under section 106 of the 1992 Act if they did not know that the section applied to them (i.e., that they were in arrears to the relevant extent) at the time of the meeting. Thus unwitting Members who for example can prove that they did not know and had no reason to suppose at the time of the meeting that their bank has failed to honour a standing order will be protected should any prosecution arise.
- (v) It is not enough to state that a benefit application has been submitted which has not yet been determined, as Members remain liable to pay pending determination.
- (vi) Breach of the rules is a criminal offence under section 106 of the 1992 Act which attracts a maximum fine of £1,000.

Members' attention should also be drawn to the effect of the Local Authorities (Standing Orders)(England)(Amendment) Regulations 2014 which came into effect on 25 February 2014 which is that where any vote is taken at a Council meeting on setting the budget for the authority, the Minutes of the meeting will record the names of all Councillors present at the vote and how each Councillor voted (for or against) or the fact that they abstained from voting.

6. PECUNIARY INTERESTS

A Member must before the end of 28 days from the date of election to office, notify the Monitoring Officer of any disclosable pecuniary interests.

A pecuniary interest is a disclosable pecuniary interest in relation to a person (as specified in regulations) and either –

- (a) It is the Member interest, or
- (b) It is an interest of:
 - (i) a member's spouse or civil partner,

- (ii) a person with whom a member is living as husband and wife, or
- (iii) a person with whom a Member is living as if they were civil partners, and the Member or is aware that the other person has the interest.

If a Member is present at a meeting and has a disclosable pecuniary interest in a matter under consideration, if the interest has not been registered they must disclose it at the meeting.

The Member may not participate in the discussions or vote on the matter where they have a disclosable pecuniary interest.

The definition of a pecuniary interest is set out below in the following eight paragraphs of this section.

Employment, office, trade profession or vocation - Any employment, office, trade, profession or vocation carried on for profit or gain.

Sponsorship - Any payment or provision of any other financial benefit (other than from London Borough of Brent) made or provided within the relevant period in respect of any expenses incurred by the Member in carrying out his/her duties as a member, or towards his/her election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.

Contracts - Any contract which you have made between the Member (or a body in which the Member has a beneficial interest) and the London Borough of Brent -

- (a) under which goods or services are to be provided or works are to be executed; and
- (b) which has not been fully discharged.

Land - Any beneficial interest in land which is within the area of the London Borough of Brent.

Licences - Any licence (alone or jointly with others) to occupy land in the area of the London Borough of Brent for a month or longer.

Corporate tenancies - Any tenancy where (to the Member's knowledge) -

- (a) the landlord is the London Borough of Brent; and
- (b) the tenant is a body in which the Member has a beneficial interest.

Securities - Any beneficial interest in securities of a body where –

- (a) that body (to the Member's knowledge) has a place of business or land in the area of the relevant authority; and
- (b) either -
 - (i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or
 - (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a

beneficial interest exceeds one hundredth of the total issued share capital of that class.

It should be noted that where there is any reference to the words “his/her” and “the Member” also includes those interests of the Member’s spouse or civil partner, a person living with him/her as husband/wife, and a person the Member is living with as if they were civil partners, and the Member is aware that this other person has the interest.

Members will receive more detailed advice prior to the meeting about the interests they may or may not need to declare at the meeting but members should seek early advice to avoid any confusion on the night of the meeting.

Sensitive Interests

Where a Member has an interest, the disclosure of which the Monitoring Officer believes could subject the Member to violence or intimidation, the interest should not be placed on the public register. Instead, the register would simply say that the Member has an interest, the details of which are withheld under s32 (2) of the Localism Act 2011.

Dispensations

The Council’s Monitoring Officer may, on written request from a Member, grant a dispensation to relieve the applicant from the restrictions on participation and voting. Dispensation may be granted if:-

- Without the dispensation the number of persons prohibited from participating would be so great a proportion to impede the effectiveness of the meeting;
- The representation of different political groups would be affected and likely to alter the likely outcome of any voting at the meeting;
- Granting the dispensation is in the interests of persons living in the Borough;
- Every Member of the Council’s Cabinet would be precluded from participating in the meeting;
- It is appropriate to grant a dispensation.

Dispensation may be granted for up to 4 years. A dispensation will mean that the Member to whom it is granted can speak and vote on a matter in which they have a relevant interest. Where the Monitoring Officer is undecided on the best response, and time is not of the essence, the decision could be passed to Standards Committee for decision and there is no Standards Committee meeting currently fixed before the budget setting meeting.

7. RESPONSIBILITIES OF CHIEF FINANCIAL OFFICER AND AUDITORS' POWERS

Chief Financial Officer and Monitoring Officer

Section 114 of the Local Government Finance Act 1988 places the Chief Financial Officer under an obligation to prepare a report (to full Council) if it appears to him that the expenditure the Authority proposes to incur in a financial year is likely to exceed its resources available to meet that expenditure. A failure to take note and act on such a report could lead to a complaint to the Standards Board. Similarly, the Council's Monitoring Officer is required to report to Full Council if it appears to her that a decision has been or is about to be taken which is or would be unlawful or would be likely to lead to maladministration.

Under section 25 of the Local Government Act 2003 the Chief Financial Officer is required to report to the authority on the robustness of the estimates made for the purposes of the calculations required to be made by the Council and the adequacy of the proposed financial reserves. These are the estimates which the Cabinet is required to determine and submit to Full Council and are contained within this report. However, if the Council were minded to agree a budget based on different estimates e.g. if Council did not agree with the estimates provided by the Cabinet then those estimates which the Council would adopt would effectively become 'the estimates' for the purpose of Section 25 and as such should be subject to a report by the Chief Financial Officer.

External Auditors' Powers

Section 91 of the Local Government Act 2000 and section 19A of the Audit Commission Act 1998 provide that an External Auditor may issue an "Advisory Notice" if he has reason to believe that an Authority is about to take a course of action which, if pursued to its conclusion, would be unlawful and likely to cause a loss or deficiency. This power is to be used where the matter is significant either in amount or in principle or both.

While the advisory notice has effect it is not lawful for the authority to implement or take the course of action in question unless it has considered the issues raised in the notice and given the auditor notice that it intends to proceed with that course of action in a specified period and that period has expired.

In addition, it is also open to the Auditor to apply for judicial review on any decision of an Authority or failure to act which it is reasonable to believe would have an effect on the accounts of an Authority.

8. SPECIFIC BUDGET ADVICE

Balances and Other Budget Calculations

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 section 31A(2)(b) and (c) of the Local Government Finance Act 1992 to calculate as part of their overall budget what amounts are appropriate for contingencies and reserves. The Council faces various contingent liabilities set out in the main budget report. Furthermore the Council must ensure sufficient flexibility to avoid going into deficit at any point during the financial year. Members will need to pay careful attention to the advice of officers here. As set out previously, under section 25 of the Local Government Act 2003 the Chief Finance Officer is required to report to the authority on the adequacy of the proposed financial reserves.

In addition to advising on the robustness of the estimates as set out above, the Chief Finance Officer is also required to report on the robustness of the proposed financial reserves. The same advice applies to these as to the other calculations required to be made by the Council.

Having considered the officer's report the Council is then required to "*have regard to the report*" but it is not required to adopt the recommendations in it. However, Members must demonstrate they have acted reasonably if they do not adopt the recommendations.

Localism Act 2011

Sections 72 to 79 and Schedules 5 to 7 of the Localism Act 2011 amended the legislation regarding the calculation of council tax. Schedule 5 of the Localism Act provides for a council tax referendum to be held if an authority increases its relevant basic amount of council tax in excess of principles determined by the Secretary of State. Authorities will not be able to exceed the Secretary of State's principles without having held such a referendum. The Secretary of State has ruled that most principal authorities, which includes Brent Council, proposing increases of its relevant basic amount of council tax by 4% or more than the 2015/16 amount of Council tax will need to hold a referendum. Furthermore, it has been proposed by the Government that local authorities responsible for adult social care will be given for adult social care "*will be given an additional 2% flexibility on their current council tax referendum threshold to be used entirely for adult social care*" for 2016/17.

Principal authorities which propose to increase council tax by 4% or more would have to hold a referendum by no later than the first Thursday in May 2015 in the 2016/17 financial year. In this scenario, substitute calculations would need to be drawn up in accordance with the principles laid down by the Secretary of State and these substitute calculations would take effect in the event of any increases of 4% or more not being approved in the referendum.

Alternative Proposals

If alternative proposals to those contained in this report are moved at the budget setting meeting, the Chief Finance Officer will need to consider if the estimates or proposed financial reserves contained in this report are affected and whether a further report (which may be oral) is required under section 25 of the Local Government Act 2003. If the Chief Finance Officer is unable to report on the estimates or the reserves because of the lateness of the alternative proposals then he will not be able to comply with this statutory requirement. The Act does not say what happens if this duty is not fulfilled and nor does it say whether the Council can set the budget without that advice. It follows from this then that there is no express statutory prohibition. However, the authority is at risk of a Judicial Review by an interested person e.g. a resident or the Audit Commission if the Council has failed to have regard to a report of the Chief Finance Officer on the estimates and reserves used for its budget calculations.

Capital Programme

The requirements of the “*Prudential Code*” established in the Local Government Act 2003 are set out in the report.

Expenditure Charged to the Housing Revenue Account

Members will be aware that the Housing Revenue Account (HRA) is by law to be maintained separately from the General Fund and there are strict rules which determine to which account any expenditure must be charged. There are only very limited areas of discretion here. Members should bear in mind that if they wished to review any current determination which affects the apportionment of charges between the General Fund and HRA, they would need to do so on the basis of an officers' report and specific legal advice. The Housing Revenue Account must be maintained in balance throughout the year and the Council is under a duty to prevent a debit balance in the Housing Revenue Account pursuant to Section 76 Local Government and Housing Act 1989.

Equalities Legislation

Section 149 of the Equality Act 2010 sets out the public sector equality duty which requires the Council, when exercising its functions to have ‘due regard’ to the need to eliminate discrimination (both direct and indirect discrimination), harassment and victimization and other conduct prohibited under the Equality Act, and to advance equality of opportunity and foster good relations between those who share a ‘protected characteristic’ and those who do not share that protected characteristic.

A ‘protected characteristic’ is defined in the Equality Act as:

- age;
- disability;
- gender reassignment;

- pregnancy and maternity;
- race; (including ethnic or national origins, colour or nationality)
- religion or belief;
- sex;
- sexual orientation.

Marriage and civil partnership are also a protected characteristic for the purposes of the duty to eliminate discrimination.

Having due regard to the need to 'advance equality of opportunity' between those who share a protected characteristic and those who do not, includes having due regard to the need to remove or minimize disadvantages suffered by them. Due regard must also be had to the need to take steps to meet the needs of such persons where those needs are different from persons who do not have that characteristic, and encourage those who have a protected characteristic to participate in public life.

Complying with the duty may involve treating some people better than others, as far as that is allowed by the discrimination law.

Due regard to the need to eliminate discrimination, advance equality, and foster good relations must form an integral part of the decision making process. The Council must consider the effect that implementing a particular policy will have in relation to equality before making a decision.

There is no prescribed manner in which the equality duty must be exercised. However, the council must have an adequate evidence base for its decision making. This can be achieved by gathering details and statistics on who use the facilities. A careful consideration of this assessment is one of the key ways in which the Council can show "due regard" to the relevant matters. Where it is apparent from the analysis of the information that the proposals would have an adverse effect on equality then adjustments should be made to avoid that effect (mitigation).

The duty is not to achieve the objectives or take the steps set out in s.149. Rather, the duty on public authorities is to bring these important objectives relating to discrimination into consideration when carrying out its functions. "Due regard" means the regard that is appropriate in all the particular circumstances in which the authority is carrying out its functions.

There must be a proper regard for the goals set out in s.149. At the same time, the council must also pay regard to any countervailing factors, which it is proper and reasonable for them to consider. Budgetary pressures, economics and practical factors will often be important. The weight of these countervailing factors in the decision making process is a matter for the Council.

The equality and diversity implications of budget proposals are considered at all stages of the budget process, from the development of the initial budget strategy, through consideration of individual growth and savings proposals, to the production of service development plans. The processes in place are

therefore aimed at ensuring that the budget proposals in this report do not discriminate against communities or individuals because of age, ethnicity, gender, disability, religion, or sexual orientation, and support the council in meeting its other duties to promote equal opportunities and good race relations.

Earmarked Reserves and Provisions

Part A Officers have the authority to make transfers from these reserves and provisions up to the amounts in them for the specified purpose.

Reserves

2 Year Olds - Additional Funding	New Accommodation for Independent Living (NAIL)
Adoption Reform Grant	New: Transition Funding for Early Years Pupil Premium
Affordable Housing PFI	NNDR Revaluation Refunds
Ark Academy - TFL Contribution	HRA - Other Contributions
Barham Park	PCT Joint Venture
Benfield Trust - BHP	Pension Liabilities
Better Care Development Fund	Positive Activities for young People
Big London Energy Switch	Preventing Homelessness
BTS Transformation	Private Landlords Rent Deposit Scheme
Capital Financing	Public Health
Capital Funding	Public Health Transitional Costs
CCG Funding - Public Health Resource Centre	Pupil Premium
Central	New Recruitment System
Central DSG	Redundancy & Redundancy
Chalkhill	Remuneration Strategy
Chief Executive - Strategic & Cultural Projects	Replacement of Licensing IT System
Community Infrastructure Levy (CIL)	Resident's Attitude Survey
Client Deposits	Revenue Contribution to Capital
Copland Legal Case	Salix
Council Tax Scheme Grant	Schools
Countryside Stewardship Grant	Schools Legal Contingency
DCLG New Burdens	Section 106
DCLG New Burdens Additional Funding	Section 106 Capital
Delayed Transfer of Care	Section 106 Rechargeable Income
Dennis Jackson	SEN Reform Grant
DWP – Local Housing Allowance 2012/13	Service Pressures
DWP - Transition Funding	Service Pressures - Temporary Accommodation
DWP - Welfare Changes	Services to Schools - NHS Grants

Employment Initiatives	Social Care Training Programme
Environment Stewardship Grant	Social Fund
Finance systems	South Kilburn
Food Standards Agency	South Kilburn Sinking Fund
Football Foundation	SP&I Grants Paid in Advance
Future Funding Risk	SP&I Community Safety Grant
Gordon Brown	SP&I NHS Funding
Gordon Brown RCCO	SP&I Voluntary Sector Grants
Harlesden Project	SP&I Working with Families
Health Care Commission	Sports England
HMO Licensing	Stonebridge HAT Project
Homeless Strategy	Streetgames Funding
IIP, BIBS Restructure & Outplacement Training	Tackling Illegal Landlords
Individual Electoral Registration	Tenancy Fraud Initiative
Innovation Programme Grant	Telecom Equipment Income
Insurance	Trading Standards - Proceeds of Crime
Insurance - Housing	Transformation
JFS School PFI	Veolia Performance Payment
Local Housing Allowance Funding	Welfare Reform
Local Elections	Wembley Youth and Community
Local Housing Allowance	Westbrook Bequest
Local Safeguarding Board	Willesden Green Library Refit
Local Welfare Assistance	Willesden Sports Centre PFI
Long Term Sickness	Working Neighbourhood Fund
Lottery Heritage	Youth Justice Board Grant
Mortgage Repossession Fund Grant	Youth Offending - Nurse Funding
Multi Agency Front Door	

Provisions

Affordable Housing PFI	Insurance
Corporate Leases	NNDR - Brent Share of Revaluation
Disrepair cases	Repairs PSL Scheme
HRA Insurance	

INTRODUCTION

- 1.1 The review of fees and charges forms part of the Council's annual budget setting process and assists with the delivery of budget saving targets. Many Planning and Social Services fees and charges are set by Central Government. Local authorities charge a wide range of fees for a wide range of services. In some cases, such as certain parking contraventions and planning applications, the fee levels are set by statute, or at any rate by bodies other than the council, and in levying the fees the council has no discretion as to the price.
- 1.2 The Council is committed to moving towards a sustainable medium-term financial plan, whilst not making services unaffordable to households on limited incomes. In order to ensure fees and charges are being used effectively, the council will ensure its overall charging policy links with its corporate aims and objectives. It is vital that the council looks at all opportunities for reducing costs and increasing income.
- 1.3 A complete review of all fees and charges is currently being undertaken following published CIPFA guide on Income Maximisation to ensure that all costs that can be properly levied are identified to ensure full cost recovery. The review includes analysis to determine how Brent's charges compare to other councils and other competitors in the market. Reviews will be taken forward in tranches and this will enable some of the additional income to be achieved from 2017/18.

2.0 REVIEW OF FEES AND CHARGES FOR SERVICES

In the majority of cases no changes are proposed. There are, however, a small number of proposals to increase prices for specific services which are discussed below.

Parking

- 2.1 Charges for parking were dealt with comprehensively at the Cabinet meeting of 16th November 2015, and Visitors Parking Permits was approved after formal consultation. It was agreed that a standard all-day charge for visitor parking permits would increase from £1.50 to £4.50, and increase in the charge for Annual Visitor Household permit from £110 to £165 for a full year, from £66 to £99 for six months, and from £44 to £66 for three months.
- 2.2 All charges are shown exclusive of VAT.

Building Control

- 2.3 Building Regulation charges must be set at a level which takes account of all relevant costs incurred in operating the service. In general, fees and charges aim to recover the full cost attributable to providing the service directly from users. The ability to charge is restricted in line with legislation and, in most cases, is limited to cost recovery. In the cabinet meeting of

December 2015 it was agreed a revised Brent Building Regulation Charges Scheme No 11, incorporating revised policies, charges and guidance. This is to come into effect on 1 January 2016 or as soon thereafter as the changes can practically be implemented. It is estimated that additional income through the proposals in this report would generate an additional £56k per annum.

- 2.4 Overall fees & charges approved increase will generate additional income of £851k per annum in 2016/17. Appendix Q(ii) set outs increase fees and charges approved by Cabinet.
- 2.5 Appendix Q(iii) includes fees & charges with no changes for 2016/17.

Proposed Fees and Charges changes 2016/17

Service Unit	Service Provided	Charging Policy	Existing Charge (2015/16) (£)	Proposed 2016/17 Charges (£)	Percentage change in fees
	(A)	(B)	(F)	(F)	(G)
Building Control	BUILDING REGULATIONS:				
Building Control	TABLE A - New Dwellings:				
Building Control	Table A. New Dwellings (<250m ²) - 1 unit	cost recovery	£800.00	£1,000.00	25.00%
Building Control	Table A. New Dwellings (<250m ²) - 2 units	cost recovery	£1,000.00	£1,300.00	30.00%
Building Control	Table A. New Dwellings (<250m ²) - 3 units	cost recovery	£1,200.00	£1,700.00	41.67%
Building Control	Table A. New Dwellings (<250m ²) - 4 units	cost recovery	£1,400.00	£2,000.00	42.86%
Building Control	Table A. New Dwellings (<250m ²) - 5 units	cost recovery	£1,600.00	£2,200.00	37.50%
Building Control	Table A. New Dwellings (<250m ²) - 6 units	cost recovery	£1,760.00	£2,345.00	33.24%
Building Control	Table A. New Dwellings (<250m ²) - 7 units	cost recovery	£1,920.00	£2,490.00	29.69%
Building Control	Table A. New Dwellings (<250m ²) - 8 units	cost recovery	£2,080.00	£2,635.00	26.68%
Building Control	Table A. New Dwellings (<250m ²) - 9 units	cost recovery	£2,240.00	£2,780.00	24.11%
Building Control	Table A. New Dwellings (<250m ²) - 10 units	cost recovery	£2,400.00	£2,925.00	21.88%
Building Control	Table A. New Dwellings (<250m ²) - 11 units	cost recovery	£2,560.00	£3,070.00	19.92%
Building Control	Table A. New Dwellings (<250m ²) - 12 units	cost recovery	£2,720.00	£3,215.00	18.20%
Building Control	Table A. New Dwellings (<250m ²) - 13 units	cost recovery	£2,880.00	£3,360.00	16.67%
Building Control	Table A. New Dwellings (<250m ²) - 14 units	cost recovery	£3,040.00	£3,505.00	15.30%
Building Control	Table A. New Dwellings (<250m ²) - 15 units	cost recovery	£3,200.00	£3,650.00	14.06%
Building Control	Table A. New Dwellings (including Basements). Additional charge.	cost recovery	£0.00	£250.00	NEW
Building Control	New Dwellings (>300m ²) - Individually assessed (but min Table A)	cost recovery	£81.55	£86.00	5.46%
Building Control	New Dwellings (>15 units) - Individually assessed (but min Table A)	cost recovery	£81.55	£86.00	5.46%
Building Control	TABLE B - Standard Charges for Detached Garages, extensions, Loft Conversions, etc.				
Building Control	Table B. Garages/Carport <40m ²	cost recovery	£300.00	£325.00	8.33%
Building Control	Table B. Garages/Carport <60m ²	cost recovery	£400.00	£425.00	6.25%
Building Control	Table B. Domestic Extension <10m ²	cost recovery	£400.00	£430.00	7.50%
Building Control	Table B. Domestic Extension <40m ²	cost recovery	£525.00	£560.00	6.67%
Building Control	Table B. Domestic Extension <60m ²	cost recovery	£680.00	£725.00	6.62%
Building Control	Table B. Domestic Extension <100m ²	cost recovery	£770.00	£820.00	6.49%
Building Control	Table B. Add charge for basement to extension	cost recovery	£250.00	£250.00	0.00%
Building Control	Table B. Loft Conversion <60m ²	cost recovery	£525.00	£560.00	6.67%
Building Control	Table B. Loft Conversion <100m ³	cost recovery	£680.00	£725.00	6.62%
Building Control	Table B. Conversion of garage to habitable room	cost recovery	£300.00	£325.00	8.33%
Building Control	Table B. Domestic alterations (with extension) <£10k	cost recovery	£230.00	£210.00	-8.70%
Building Control	Table B. Domestic alterations (with extension) <£20k	cost recovery	£300.00	£280.00	-6.67%
Building Control	Table B. Convert Garage (with extension)	cost recovery	£260.00	£280.00	7.69%
Building Control	Table B. Multiple works (capped) family dwelling <300m ² (excluding electrical works + basement)	cost recovery	£1,600.00	£1,700.00	6.25%
Building Control	Table B. Commercial Extension <10m ²	cost recovery	£450.00	£480.00	6.67%
Building Control	Table B. Commercial Extension <40m ²	cost recovery	£600.00	£640.00	6.67%

Proposed Fees and Charges changes 2016/17

Service Unit	Service Provided	Charging Policy	Existing Charge (2015/16) (£)	Proposed 2016/17 Charges (£)	Percentage change in fees
Building Control	Table B. Commercial Extension <60m2	cost recovery	£750.00	£800.00	6.67%
Building Control	Table B. Commercial Extension <100m2	cost recovery	£900.00	£960.00	6.67%
Building Control	Table B. Add charge for basement to extension	cost recovery	n/a	£250.00	New
Building Control	Table B. Flat Conversions - 1 or 2 flats	cost recovery	£500.00	£570.00	14.00%
Building Control	Table B. Additional Flat Conversion (up to 8)	cost recovery	£180.00	£200.00	11.11%
Building Control	TABLE C - Standard Charges for domestic alteration work				
Building Control	Table C. Underpinning <10m	cost recovery	£300.00	£330.00	10.00%
Building Control	Table C. Underpinning each additional 10m or part	cost recovery	£175.00	£185.00	5.71%
Building Control	Table C. Recovering roof (terraced/semi)	cost recovery	£265.00	£265.00	0.00%
Building Control	Table C. Recovering roof (detached <150m2)	cost recovery	£345.00	£345.00	0.00%
Building Control	Table C. Replacement Windows <5 Not CPS	cost recovery	£130.00	£130.00	0.00%
Building Control	Table C. Replacement Windows <20 Not CPS	cost recovery	£225.00	£225.00	0.00%
Building Control	Table C. Domestic Electrical works <10 circuits	cost recovery	£250.00	£265.00	6.00%
Building Control	Table C. Domestic Electrical works >10 circuits	cost recovery	n/a	£330.00	NEW
Building Control	Table C. Installation of Gas appliance / UVHW	cost recovery	£160.00	£165.00	3.13%
Building Control	TABLE D - Other works				
Building Control	Table D. Other works <£5000	cost recovery	£230.00	£245.00	6.52%
Building Control	Table D. Other works £5000 - £10000	cost recovery	£265.00	£290.00	9.43%
Building Control	Table D. Other works £10000.01 - £20000	cost recovery	£345.00	£370.00	7.25%
Building Control	Table D. Other works £20000.01 - £30000	cost recovery	£440.00	£465.00	5.68%
Building Control	Table D. Other works £30000.01 - £40000	cost recovery	£530.00	£560.00	5.66%
Building Control	Table D. Other works £40000.01 - £50000	cost recovery	£625.00	£655.00	4.80%
Building Control	Table D. Other works £50000.01 - £60000	cost recovery	£720.00	£755.00	4.86%
Building Control	Table D. Other works £60000.01 - £70000	cost recovery	£815.00	£855.00	4.91%
Building Control	Table D. Other works £70000.01 - £80000	cost recovery	£910.00	£955.00	4.95%
Building Control	Table D. Other works £80000.01 - £90000	cost recovery	£1,005.00	£1,055.00	4.98%
Building Control	Table D. Other works £90000.01 - £100000	cost recovery	£1,100.00	£1,155.00	5.00%
Building Control	Table D. Other works £100000.01 - £110000	cost recovery	£1,145.00	£1,205.00	5.24%
Building Control	Table D. Other works £110000.01 - £120000	cost recovery	£1,190.00	£1,255.00	5.46%
Building Control	Table D. Other works £120000.01 - £130000	cost recovery	£1,235.00	£1,305.00	5.67%
Building Control	Table D. Other works £130000.01 - £140000	cost recovery	£1,280.00	£1,355.00	5.86%
Building Control	Table D. Other works £140000.01 - £150000	cost recovery	£1,325.00	£1,405.00	6.04%
Building Control	Table D. Other works £150000.01 - £160000	cost recovery	n/a	£1,455.00	New
Building Control	Table D. Other works £160000.01 - £170000	cost recovery	n/a	£1,505.00	New
Building Control	Table D. Other works £170000.01 - £180000	cost recovery	n/a	£1,555.00	New
Building Control	Table D. Other works £180000.01 - £190000	cost recovery	n/a	£1,605.00	New
Building Control	Table D. Other works £190000.01 - £200000	cost recovery	n/a	£1,655.00	New
Building Control	TABLE E - Individually Assessed projects				
Building Control	Individually assessed projects >£200k estimated costs (Table D), extension / loft conversion > 100m2 or Flat Conversions (Table B), Dwellings >15 or >300m2 (Table A), Cross Boundary working, etc.	cost recovery	£81.55	£86.00	5.46%
Building Control	Miscellaneous				
Building Control	Cancellation / Withdrawal Charge before validation	cost recovery	£50.00	£65.00	30.00%
Building Control	Cancellation Charge after validation	cost recovery	£50.00	£86.00	72.00%

Proposed Fees and Charges changes 2016/17

Service Unit	Service Provided	Charging Policy	Existing Charge (2015/16) (£)	Proposed 2016/17 Charges (£)	Percentage change in fees
Building Control	Cancellation Charge after plans / calcs checked	cost recovery	Plan charge	Plan Fee or 50% BN Charge	
Building Control	Calculation of refund - charge exceeds expenditure (1 hour)	cost recovery	£50.00	£86.00	72.00%
Building Control	Additional payment in respect of cancellation of payment / return of cheques	cost recovery	n/a	£43.00	New
Building Control	Pre-application advice (Individually assessed - 1st hour FREE)	cost recovery	varies	£86.00	New
Building Control	Cross Boundary working (including Site Inspections and Host Borough Admin Charge)	cost recovery	As per Brent Schedule	Individually assessed (min Brent schedule)	New
Building Control	Supplementary Charge where extensive additional work required	cost recovery	n/a	Individually assessed - £86 per hour	New
Building Control	Resurrection Charge after 2 years (max 3 visits)	cost recovery	n/a	£215.00	New
Building Control	Optional requirements (where stated under Planning Conditions)	cost recovery	n/a	Individually assessed	NEW
Building Control	STREET NAMING AND NUMBERING:				
Building Control	Premises Name Change - Single House / Unit	cost recovery	£60.00	£80.00	33.33%
Building Control	Premises Name Change - Additional unit in block.	cost recovery	n/a	£15.00	New
Building Control	Rename of Street (Basic Charge)(rare)	cost recovery	£240.00	£400.00	66.67%
Building Control	Rename of Street (Additional Charge per premises)(rare)	cost recovery	£60.00	£80.00	33.33%
Building Control	New Developments (1-2 plots)	cost recovery	£120.00	£135.00	12.50%
Building Control	New Developments (3-5 plots)	cost recovery	£120.00	£145.00	20.83%
Building Control	New Developments (6-10 plots)	cost recovery	£180.00	£220.00	22.22%
Building Control	New Developments (11-20 plots)	cost recovery	£255.00	£310.00	21.57%
Building Control	New developments(21-50 plots)	cost recovery	£500.00	£590.00	18.00%
Building Control	New Developments (51-100 plots)	cost recovery	£760.00	£860.00	13.16%
Building Control	New Developments (> 100 - per additional plot)	cost recovery	£3.25	£5.25	61.54%
Building Control	Naming of roads / streets as part of development	cost recovery	£120.00	£150.00	25.00%
Building Control	Regularisation of address(es)	cost recovery	n/a	Schedule + 30%	New
Building Control	DANGEROUS STRUCTURES:				
Building Control	Removing Danger in accordance with London Building Acts (Contractors Costs)	cost recovery	Contractors Cost	Contractors Cost	
Building Control	Removing Danger in accordance with London Building Acts (Administration of WID by Contractor)	cost recovery	15% Net Contractors cost	15% Net Contractors cost	
Building Control	Surveying Costs 09:00 to 17:00 - Mon- Fri (minimum 2 hours) where charged	cost recovery	£60.00	£86.00	43.33%
Building Control	Surveying Costs 17:00 to 09:00 - Mon- Fri and weekends / Bank Holidays (minimum 2 hours) where charged	cost recovery	£60.00	£105.00	75.00%
Building Control	Certify and Service of formal DS Notice requiring immediate action	cost recovery	n/a	£150.00	New
Building Control	Additional charge where excessive number of visits required to gain compliance	cost recovery	n/a	£172.00	New
Building Control	Court Action	cost recovery	n/a	individually assessed - minimum £500	New

Proposed Fees and Charges changes 2016/17

Service Unit	Service Provided	Charging Policy	Existing Charge (2015/16) (£)	Proposed 2016/17 Charges (£)	Percentage change in fees
Building Control	Miscellaneous Expenses	cost recovery	varies	At cost + 15%	New
Building Control	Mileage	cost recovery	£0.50	£0.55	10.00%
Building Control	DEMOLITION NOTICES:				
Building Control	Demolition Notice and inspections. (Effective Date 1/4/2016)	cost recovery	n/a	£215.00	New
Building Control	MISCELLANEOUS (INCLUDING SOLICITORS ENQUIRIES, ETC)	Note: Limited information available FREE of charge through Public Access system. Building Control records are n			
Building Control	Retrieval of microfiche record	cost recovery	£15.00	£15.00	0.00%
Building Control	Correspondence requiring technical research / review of casefile	cost recovery	£50.00	£65.00	30.00%
Building Control	Complex queries requiring extensive research (individually assessed - hourly rate)	cost recovery	£50.00	£86.00	72.00%
Building Control	Copy of BC Final Certificate (pre 2002) + Retrieval if req'd	cost recovery	£40.00	£45.00	12.50%
Building Control	Additional copy of BC Final Certificate (post 2002) + Retrieval if req'd	cost recovery	£40.00	£40.00	0.00%
Building Control	Additional copy of Decision Notice (pre 2002) + Retrieval if req'd	cost recovery	£20.00	£20.00	0.00%
Building Control	Copy of Decision Notice (post 2002) + Retrieval if req'd	cost recovery	£20.00	£20.00	0.00%
Building Control	Copy of s25 PHA - Notice (Build over sewer)	cost recovery	£20.00	£20.00	0.00%
Building Control	Additional Copy of SN Decision and marked up plans (electronic only)	additional service	n/a	£40.00	New
Building Control	Copy of AI Final Certificate (where available)	additional service	n/a	£20.00	New
Building Control	Confirmation regarding acceptance of CPS record (Optional)	additional service	n/a	£30.00	New
Building Control	Certificate / Confirmation regarding BC (Building Regulation) exemption. (Effective Date 1/4/2016)	additional service	n/a	£130.00	New
Building Control	Additional (non-ringfenced) earnings through provision of additional services	additional service (non ring-fenced)	n/a	individually assessed (min £86.00 per hour)	New
Parking	Visitor Parking Permit: All Day		£1.50	£4.50	200.00%
Parking	Visitor Resident Permit- a year		£110.00	£165.00	50.00%
Parking	Visitor Resident Permit- 6 months		£66.00	£99.00	50.00%
Parking	Visitor Resident Permit- 3 months		£44.00	£66.00	50.00%

Service Unit	Service Provided	Charging Policy	Existing Charge (2015/16) (£)	Proposed 2016/17 Charges (£)	Percentage change in fees	Note
ADULT SOCIAL SERVICES						
Adult Social Services	Residential & Nursing Care	Charging for Residential Care	Means tested on individual basis	Means tested on individual basis		
Adult Social Services	Community Care	Fairer Charging	Means tested on individual basis	Means tested on individual basis		
Adult Social Services	Meals On Wheels	Subsidised	£3.50 per meal	£3.50 per meal		
REGISTRATION AND NATIONALITY						
INTERNAL APPROVED PREMISES						
Registration and Nationality	Approved Premises Weddings Internal Monday - Thursday	Cost Recovery	135.00	135.00	0%	
Registration and Nationality	Approved Premises Weddings Internal Friday	Cost Recovery	160.00	160.00	0%	
INTERNAL APPROVED PREMISES (EVENINGS)						
Registration and Nationality	Approved Premises Weddings Internal Evening Monday - Friday after 4PM	Cost Recovery	280.00	280.00	0%	
Registration and Nationality	Approved Premises Weddings Internal Evening Saturday after 4PM	Cost Recovery	350.00	350.00	0%	
Registration and Nationality	Approved Premises Weddings Internal Evening Sunday after 4PM	Cost Recovery	400.00	400.00	0%	
EXTERNAL APPROVED PREMISES (EVENINGS)						
Registration and Nationality	Approved Premises Weddings NEW External Evening Monday - Friday after 4PM	Cost Recovery	400.00	400.00	0%	
Registration and Nationality	Approved Premises Weddings NEW External Evening Saturday after 4PM	Cost Recovery	500.00	500.00	0%	
Registration and Nationality	Approved Premises Weddings NEW Evening Sunday/Bank Holiday after 4PM	Cost Recovery	600.00	600.00	0%	
CITIZENSHIP & NCS						
Registration and Nationality	Citizenship Individual Private Ceremony Mon - Friday	Cost Recovery	105.00	105.00	0%	
Registration and Nationality	Citizenship Private Ceremony-weekend	Cost Recovery	150.00	150.00	0%	
Registration and Nationality	Settlement Checking Service 1 single adult Mon- Sat	Cost Recovery	100.00	100.00	0%	
Registration and Nationality	Settlement Checking Service per child Mon - Sat	Cost Recovery	30.00	30.00	0%	
LICENSING OF APPROVED PREMISES & RENEWALS						
Registration and Nationality	Registration of approved premises for civil marriage / partnership - up to 50	Cost Recovery	600.00	600.00	0%	
Registration and Nationality	Registration of approved premises for civil marriage / partnership - 51 to 100	Cost Recovery	700.00	700.00	0%	
Registration and Nationality	Registration of approved premises for civil marriage / partnership - 101 to 200	Cost Recovery	800.00	800.00	0%	
Registration and Nationality	Registration of approved premises for civil marriage / partnership - 201 to 300	Cost Recovery	900.00	900.00	0%	
Registration and Nationality	Registration of approved premises for civil marriage / partnership - 301 to 400	Cost Recovery	1000.00	1000.00	0%	
Registration and Nationality	Registration of approved premises for civil marriage / partnership - 401 to 500	Cost Recovery	1100.00	1100.00	0%	
Registration and Nationality	Registration of approved premises for civil marriage / partnership - Over 500	Cost Recovery	1500.00	1500.00	0%	
OTHER CEREMONIES						
Registration and Nationality	Admin Fee	Cost Recovery	10.00	10.00	0%	
Registration and Nationality	Postage fee/overseas	Cost Recovery	10.00	10.00	0%	
Registration and Nationality	NEW Change to marriage date (all changes)	Cost Recovery	20.00	20.00	0%	
TRANSPORTATION						
Transportation - NRSWA	Section 50 License Application	Cost Recovery	Variable	Variable		Cost varies per application
Transportation - Development Control	Standard Highway Searches	Cost Recovery	85.00	85.00	0%	
Transportation - Development Control	Complex Highway Searches	Cost Recovery	Variable	Variable		Priced is calculated based on complexity of enquiry.
Transportation - Development Control	Technical Approval Fees	Cost Recovery	Variable	Variable		9% based on value of works. Usually calculates to a minimum charge of £2000
Transportation - Development Control	Supervision Fees	Cost Recovery	Variable	Variable		9% based on value of works. Usually calculates to a minimum charge of £2000

Service Unit	Service Provided	Charging Policy	Existing Charge (2015/16) (£)	Proposed 2016/17 Charges (£)	Percentage change in fees	Note
Transportation - Highways	Mark Up on Constructing a crossing	Cost Recovery	POA	POA		Varies based on complexity of constructing the crossover. Construction charges based on LoHAC contract schedule of rates. Average is £160 per square meter to construct a crossing.
Transportation - Traffic Management	Traffic Management	Cost Recovery	POA	POA		Price is calculated based on the type of application made and varies.
Transportation - Traffic Management	Traffic Management	Cost Recovery	375.00	375.00	0%	
CEMETERIES						
	Fees & Charges applicable to only Brent residents					
Cemeteries	Burial rights - Person 16yrs + (earth)	Full Commercial	2140.00	2140.00	0%	
Cemeteries	Burial rights - Baby/Child under 16 full grave space	Full Commercial	2140.00	2140.00	0%	
Cemeteries	Burial rights - Baby/Child under 16 half grave space	Full Commercial	725.00	725.00	0%	
Cemeteries	Burial rights - Path side graves (earth)	Full Commercial	3230.00	3230.00	0%	
Cemeteries	Burial rights - Woodland grave for 1 interment (includes 1 tree)	Full Commercial	2405.00	2405.00	0%	
Cemeteries	Burial rights - Woodland grave for ashes	Full Commercial	2405.00	2405.00	0%	
Cemeteries	Interment - Person 16yrs + (earth)	Full Commercial	665.00	665.00	0%	
Cemeteries	Interment - Baby/Child under 16 full grave space	Full Commercial	235.00	235.00	0%	
Cemeteries	Interment - Baby/Child under 16 half grave space	Full Commercial	185.00	185.00	0%	
Cemeteries	Interment - Path side graves (earth)	Full Commercial	665.00	665.00	0%	
Cemeteries	Interment - Woodland grave for 1 interment (includes 1 tree)	Full Commercial	665.00	665.00	0%	
Cemeteries	Interment - Woodland grave for ashes	Full Commercial	210.00	210.00	0%	
	Fees & Charges applicable to only Brent residents - Re-open Graves					
Cemeteries	Interment - Person 16yrs + (earth)	Full Commercial	665.00	665.00	0%	
Cemeteries	Interment - Person 16yrs + (vault)	Full Commercial	330.00	330.00	0%	
Cemeteries	Interment - Baby/Child under 16 full grave space	Full Commercial	235.00	235.00	0%	
Cemeteries	Interment - Baby/Child under 16 half grave space	Full Commercial	185.00	185.00	0%	
	Fees & Charges applicable to only Brent residents - Common Graves					
Cemeteries	Interment - Person 16yrs + (earth)	Full Commercial	950.00	950.00	0%	
Cemeteries	Interment - Baby/Child under 16 full grave space	Full Commercial	590.00	590.00	0%	
Cemeteries	Interment - Baby/Child under 16 half grave space	Full Commercial	295.00	295.00	0%	
	Fees & Charges applicable to only Brent residents - Cremated Remains / Ashes					
Cemeteries	Burial rights - In new half grave space	Full Commercial	810.00	810.00	0%	
Cemeteries	Burial rights - In new vault Alperton cemetery only including 1st interment	Full Commercial	520.00	520.00	0%	
Cemeteries	Interment - In new half grave space	Full Commercial	210.00	210.00	0%	
Cemeteries	Interment - In existing graves space	Full Commercial	210.00	210.00	0%	
Cemeteries	Interment - in existing vault	Full Commercial	125.00	125.00	0%	
	Fees & Charges applicable to Non Brent residents					
Cemeteries	Burial rights - Person 16yrs + (earth)	Full Commercial	3245.00	3245.00	0%	
Cemeteries	Burial rights - Baby/Child under 16 full grave space	Full Commercial	3245.00	3245.00	0%	
Cemeteries	Burial rights - Baby/Child under 16 half grave space	Full Commercial	1090.00	1090.00	0%	
Cemeteries	Burial rights - Path side graves (earth)	Full Commercial	4870.00	4870.00	0%	
Cemeteries	Burial rights - Woodland grave for 1 interment (includes 1 tree)	Full Commercial	3505.00	3505.00	0%	
Cemeteries	Burial rights - Woodland grave for ashes	Full Commercial	3505.00	3505.00	0%	
Cemeteries	Interment - Person 16yrs + (earth)	Full Commercial	1010.00	1010.00	0%	
Cemeteries	Interment - Baby/Child under 16 full grave space	Full Commercial	350.00	350.00	0%	
Cemeteries	Interment - Baby/Child under 16 half grave space	Full Commercial	275.00	275.00	0%	
Cemeteries	Interment - Path side graves (earth)	Full Commercial	1010.00	1010.00	0%	
Cemeteries	Interment - Woodland grave for 1 interment (includes 1 tree)	Full Commercial	1010.00	1010.00	0%	
Cemeteries	Interment - Woodland grave for ashes	Full Commercial	320.00	320.00	0%	
	Fees & Charges applicable to Non Brent residents - Re-open Graves					
Cemeteries	Interment - Person 16yrs + (earth)	Full Commercial	1010.00	1010.00	0%	
Cemeteries	Interment - Person 16yrs + (vault)	Full Commercial	505.00	505.00	0%	
Cemeteries	Interment - Baby/Child under 16 full grave space	Full Commercial	350.00	350.00	0%	
Cemeteries	Interment - Baby/Child under 16 half grave space	Full Commercial	260.00	260.00	0%	

Service Unit	Service Provided	Charging Policy	Existing Charge (2015/16) (£)	Proposed 2016/17 Charges (£)	Percentage change in fees	Note
	Fees & Charges applicable to Non Brent residents - Common Graves					
Cemeteries	Interment - Person 16yrs + (earth)	Full Commercial	1430.00	1430.00	0%	
Cemeteries	Interment - Baby/Child under 16 full grave space	Full Commercial	895.00	895.00	0%	
Cemeteries	Interment - Baby/Child under 16 half grave space	Full Commercial	445.00	445.00	0%	
	Fees & Charges applicable to Non Brent residents - Cremated Remains / Ashes					
Cemeteries	Burial rights - In new half grave space	Full Commercial	1215.00	1215.00	0%	
Cemeteries	Burial rights - In new vault Alperton cemetery only including 1st interment	Full Commercial	770.00	770.00	0%	
Cemeteries	Interment - In new half grave space	Full Commercial	320.00	320.00	0%	
Cemeteries	Interment - In existing graves space	Full Commercial	320.00	320.00	0%	
Cemeteries	Interment - in existing vault	Full Commercial	195.00	195.00	0%	
	Additional Charges for both Brent residents & non residents					
Cemeteries	Coffin/casket 7' long or 28" wide in earth grave	Full Commercial	395.00	395.00	0%	
Cemeteries	Coffin/casket 7' long or 30+" wide in earth grave	Full Commercial	525.00	525.00	0%	
Cemeteries	Earth grave for 3 (Carpenders park only)	Full Commercial	535.00	535.00	0%	
Cemeteries	Shroud timbers & slats	Full Commercial	110.00	110.00	0%	
Cemeteries	Grave surround	Full Commercial	35.00	35.00	0%	
Cemeteries	Registration of probate	Full Commercial	32.00	32.00	0%	
Cemeteries	Transfer burial rights	Full Commercial	70.00	70.00	0%	
Cemeteries	Burial Register search fee	Full Commercial	27.00	27.00	0%	
Cemeteries	Chapel hire	Full Commercial	65.00	65.00	0%	
Cemeteries	Saturday burials at Alperton, Paddington and Willesden	Full Commercial	575.00	575.00	0%	
Cemeteries	Exhumation charges	Full Commercial	Variable depending on circumstances	Variable depending on circumstances		
Cemeteries	Cancellation of an interment or late arrival of funeral cortege of more than 20 mins	Full Commercial	170.00	170.00	0%	
	Memorial permits (10 year period) - Brent residents and non residents					
Cemeteries	Memorial [full with Landing]	Full Commercial	245.00	245.00	0%	
Cemeteries	Headstone / plaque	Full Commercial	245.00	245.00	0%	
Cemeteries	Inscriptions / works	Full Commercial	85.00	85.00	0%	
Cemeteries	Memorial removal for interment	Full Commercial	130.00	130.00	0%	
Cemeteries	Memorial replacement after interment	Full Commercial	130.00	130.00	0%	
Cemeteries	Memorial raise and level (full memorials)	Full Commercial	52.50	52.50	0%	
Cemeteries	Memorial raise and level (plaques)	Full Commercial	36.75	36.75	0%	
Cemeteries	Re-used York Flagstone (reculced from graves or memorials)	Full Commercial	85.00	85.00	0%	
Cemeteries	Tree Plaque at Carpenders Park (inc VAT) (Single)	Full Commercial	195.00	195.00	0%	
Cemeteries	Tree Plaque at Carpenders Park (inc VAT) (Double)	Full Commercial	250.00	250.00	0%	
Cemeteries	Bench with plaque (inc VAT)	Full Commercial	935.00	935.00	0%	
Cemeteries	Bench Plaques at Carpenders Park (inc VAT - 5 years)	Full Commercial	125.00	125.00	0%	
Cemeteries	Concrete based bench with plaque (inc VAT not at Carpenders Park)	Full Commercial	1100.00	1100.00	0%	
	CUSTOMER AND COMMUNITY ENGAGEMENT					
Customer and Community Engagement - Language Shop	Interpreting 9-5	Full Commercial	35.00	35.00	0%	Internal council charge
Customer and Community Engagement - Language Shop	Interpreting out of office hours	Full Commercial	52.50	52.50	0%	
Customer and Community Engagement - Language Shop	Interpreting weekends	Full Commercial	70.00	70.00	0%	
Customer and Community Engagement - Language Shop	Translations	Full Commercial	£175 per 1000 words (minimum charge £60)	£175 per 1000 words (minimum charge £60)		
	RECYCLING & WASTE - STREET FINES					
Recycling & Waste	Illegal Deposit Charge - Pick Up	Full Commercial	76.50	76.50	0%	
Recycling & Waste	Illegal Deposit Charge - Transport	Full Commercial	107.10	107.10	0%	
Recycling & Waste	Illegal Deposit Charge - Storage	Full Commercial	35.70	35.70	0%	
	SPORTS					
	B.ACTIVE LEISURE DISCOUNT SCHEME					
Sports	B.Active card (Resident standard card)	Subsidised	42.00	42.00	0%	
Sports	B.Active card (Non resident standard card)	Subsidised	72.00	72.00	0%	
Sports	B.Active card (60+ or disabled resident Concession)	Subsidised	6.75	6.75	0%	
Sports	B.Active card (Resident Concession - 6 months)	Subsidised	3.50	3.50	0%	
	VALE FARM AND WILLESDEN SPORTS CENTRES					

Service Unit	Service Provided	Charging Policy	Existing Charge (2015/16) (£)	Proposed 2016/17 Charges (£)	Percentage change in fees	Note
Sports	Core prices	Subsidised	-	-		The core prices at Vale Farm and Willesden sports centres will increase in line with the arrangements in the two leisure management contracts.
BRIDGE PARK COMMUNITY LEISURE CENTRE						
Sports	Sports Hall Hire - Peak	Subsidised	57.00	57.00	0%	
Sports	Sports Hall Hire - Juniors Peak	Subsidised	42.75	42.75	0%	
Sports	Sports Hall Hire Off Peak	Subsidised	27.50	27.50	0%	
Sports	Sports Hall Hire - Juniors Off Peak	Subsidised	20.60	20.60	0%	
Sports	Dance Studio Peak	Subsidised	37.00	37.00	0%	
Sports	Dance Studio Off Peak	Subsidised	23.50	23.50	0%	
Sports	Badminton Court Peak	Subsidised	9.50	9.50	0%	
Sports	Badminton Court Off Peak	Subsidised	5.20	5.20	0%	
Sports	Table Tennis Peak	Subsidised	5.40	5.40	0%	
Sports	Table Tennis Off Peak	Subsidised	4.00	4.00	0%	
Sports	Gym Membership	Subsidised	36.00	36.00	0%	
Sports	Gym Membership - Joint	Subsidised	61.20	61.20	0%	
Sports	Gym Membership - concessions	Subsidised	31.00	31.00	0%	
Sports	Gym Membership - off peak use	Subsidised	29.00	29.00	0%	
Sports	Gym Membership - corporate	Subsidised	30.00	30.00	0%	
Sports	Gym Membership - Annual	Subsidised	330.00	330.00	0%	
Sports	Gym Induction - adults	Subsidised	19.00	19.00	0%	
Sports	Gym Induction - Youth 14-16	Subsidised	6.00	6.00	0%	
Sports	Gym casual use - adults Peak	Subsidised	6.10	6.10	0%	
Sports	Gym casual use - adults Off Peak	Subsidised	4.60	4.60	0%	
Sports	Gym casual use - Youth 14-16	Subsidised	3.10	3.10	0%	
Sports	Sauna and Steam Peak	Subsidised	5.70	5.70	0%	
Sports	Sauna and Steam Off Peak	Subsidised	4.50	4.50	0%	
Sports	Sauna and Steam - Membership	Subsidised	33.00	33.00	0%	
Sports	Active Brent - (60+)	Subsidised	3.60	3.60	0%	
Sports	Parties	Subsidised	100.00	100.00	0%	
Sports	Coach for parties	Subsidised	30.00	30.00	0%	
Sports	Various adult fitness and multi activity classes and courses	Subsidised	Variable subject to activity offered	Variable subject to activity offered		
Sports	Various junior sports and multi activity sessions and courses.	Subsidised	Variable subject to activity offered	Variable subject to activity offered		
Sports	Holiday Scheme	Subsidised	Variable subject to activity offered	Variable subject to activity offered		
Sports	Junior Crs/session	Subsidised	Variable subject to activity offered	Variable subject to activity offered		
BPLCC - BRIDGE PARK LEISURE & COMMUNITY CENTRE						
Room Hire	Boardroom	Full commercial	68.00	68.00	0%	
Room Hire	Community Suite	Full commercial	139.20	139.20	0%	
Room Hire	Tropics Suite	Full commercial	208.50	208.50	0%	
Room Hire	Syndicate Room	Full commercial	257.40	257.40	0%	
Room Hire	Conference Room	Full commercial	403.20	403.20	0%	
Room Hire	Function Hall	Full commercial	790.00	790.00	0%	
Room Hire	Sports hall	Full commercial	1700.00	1700.00	0%	
Room Hire	Servery	Full commercial	265.00	265.00	0%	
Add in hourly charges						
Room Hire	Boardroom	Full commercial	11.60	11.60	0%	
Room Hire	Community Suite	Full commercial	23.20	23.20	0%	
Room Hire	Tropics Suite	Full commercial	34.75	34.75	0%	
Room Hire	Syndicate Room	Full commercial	42.90	42.90	0%	
Room Hire	Conference Room	Full commercial	67.20	67.20	0%	

Service Unit	Service Provided	Charging Policy	Existing Charge (2015/16) (£)	Proposed 2016/17 Charges (£)	Percentage change in fees	Note
Room Hire	Function Hall	Full commercial	86.90	86.90	0%	
Room Hire	Sports hall	Full commercial	1700.00	1700.00	0%	
PARKS						
Parks Service	Soccer Adult Single	Subsidised	75.30	75.30	0%	
Parks Service	Soccer Adult Short Season [13 week pre booked]	Subsidised	885.00	885.00	0%	
Parks Service	Soccer Adult Long Season [17 weeks pre-booked]	Subsidised	1155.00	1155.00	0%	
Parks Service	Soccer Junior 11-a-side Single	Subsidised	45.20	45.20	0%	
Parks Service	Soccer Junior 9-a-side Single	Subsidised	39.10	39.10	0%	
Parks Service	Soccer Junior 7-a-side Single	Subsidised	26.50	26.50	0%	
Parks Service	Soccer Junior 5-a-side Single	Subsidised	17.75	17.75	0%	
Parks Service	Soccer Junior 11-a-side Short Season [13 week pre booked]	Subsidised	530.00	530.00	0%	
Parks Service	Soccer Junior 11-a-side Long Season [17 weeks pre-booked]	Subsidised	693.00	693.00	0%	
Parks Service	Soccer Junior 9-a-side Short Season [13 week pre booked]	Subsidised	460.00	460.00	0%	
Parks Service	Soccer Junior 9-a-side Long Season [17 weeks pre-booked]	Subsidised	600.00	600.00	0%	
Parks Service	Soccer Junior 7-a-side Short Season [13 week pre booked]	Subsidised	310.00	310.00	0%	
Parks Service	Soccer Junior 7-a-side Long Season [17 weeks pre-booked]	Subsidised	405.00	405.00	0%	
Parks Service	Soccer Junior 5-a-side Short Season [13 week pre booked]	Subsidised	210.00	210.00	0%	
Parks Service	Soccer Junior 5-a-side Long Season [17 weeks pre-booked]	Subsidised	275.00	275.00	0%	
Parks Service	Rugby Adult Single	Subsidised	81.50	81.50	0%	
Parks Service	Rugby Adult Season	Subsidised				Block booking for season duration (minimum 10 matches) to be 10% less than single pitch booking
Parks Service	Rugby junior single	Subsidised	47.25	47.25	0%	
Parks Service	Rugby Junior Season	Subsidised				Block booking for season duration (minimum 10 matches) to be 10% less than single pitch booking
Parks Service	Gaelic Adult single	Subsidised	100.00	100.00	0%	
Parks Service	Gaelic Adult Season	Subsidised				Block booking for season duration (minimum 10 matches) to be 10% less than single pitch booking
Parks Service	Gaelic junior single	Subsidised	57.00	57.00	0%	
Parks Service	Gaelic Junior Season	Subsidised				Block booking for season duration (minimum 10 matches) to be 10% less than single pitch booking
Parks Service	Hurling Adult single	Subsidised	100.00	100.00	0%	
Parks Service	Hurling Junior single	Subsidised	52.50	52.50	0%	
Parks Service	Cricket single	Subsidised	105.00	105.00	0%	
Parks Service	Cricket Adult [11 week season]	Subsidised	1095.00	1095.00	0%	
Parks Service	Cricket Junior (11 week season)	Subsidised	545.00	545.00	0%	
Parks Service	Cricket junior single	Subsidised	63.00	63.00	0%	
Parks Service	Artificial cricket wicket (adults) per match	Subsidised	73.50	73.50	0%	
Parks Service	Artificial cricket wicket (juniors) per match	Subsidised	44.00	44.00	0%	

Service Unit	Service Provided	Charging Policy	Existing Charge (2015/16) (£)	Proposed 2016/17 Charges (£)	Percentage change in fees	Note
Parks Service	Bowls- per green	Subsidised	2300.00	2300.00	0%	
Parks Service	Bowls - per rink per season	Subsidised	465.00	465.00	0%	
Parks Service	Tennis Court - adult, per hour	Subsidised	6.50	6.50	0%	
Parks Service	Tennis court - junior, per hour	Subsidised	Free	Free		
Parks Service	Tennis court - where no more than 50% of players are adults		3.25	3.25	0%	
Parks Service	Multi Use Games Areas (not including changing rooms)	Subsidised	Free	Free		
Parks Service	Netball Court - adult per hour (not including changing rooms)	Subsidised	15.00	15.00	0%	
Parks Service	Netball Court - junior per hour (not including changing rooms)	Subsidised	9.00	9.00	0%	
Parks Service	Adult training soccer/rugby/Gaelic/Hurling not on a pitch (per 2 hours including changing rooms, excluding floodlights)	Subsidised	50.00	50.00	0%	
Parks Service	Junior training soccer/rugby/Gaelic/hurling not on a pitch (per 2 hours including changing rooms, excluding floodlights)	Subsidised	31.50	31.50	0%	
Parks Service	Unmarked ground school/sports use (Morning or afternoon - 3 hours including changing rooms)	Subsidised	48.00	48.00	0%	
Parks Service	Hire of pitch for one match which has no available changing rooms	Subsidised	30% discount on normal price	30% discount on normal price		
Parks Service	Hire of changing rooms only (during normal staffing hours)	Subsidised	31.50	31.50	0%	
Parks Service	Power Driven Model Aircraft Flying Licence	Full commercial	37.00	37.00	0%	
Parks Service	Cost recovery of events in parks - Commercial	Full commercial	Negotiated	Negotiated		
Parks Service	Soccer tournament - per pitch per day	Full commercial	Negotiated	Negotiated		
Parks Service	Helicopter landing	Full commercial	Negotiated	Negotiated		
Parks Service	Dollis Hill House performance space	Full commercial	Negotiated	Negotiated		
Parks Service	Brent resident Allotment type site 126m2 (5 pole)	Subsidised	83.50	83.50	0%	
Parks Service	Non resident Allotment type site 126m2 (5 pole)	Subsidised	93.50	93.50	0%	
Parks Service	Brent Resident Concessions Allotment type site 126m2 (5 pole) - Concession only on the first five poles for residents who are registered disabled, receiving unemployment benefits and/or 60 years and over on 1 April 2014.	Subsidised	41.75	41.75	0%	
Parks Service	Brent resident Allotment type site 253m2 (10 pole)	Subsidised	167.00	167.00	0%	
Parks Service	Non resident Allotment type site 253m2 (10 pole)	Subsidised	187.00	187.00	0%	
Parks Service	Brent resident Allotment cost per pole	Subsidised	16.70	16.70	0%	
Parks Service	Non resident Allotment cost per pole	Subsidised	18.70	18.70	0%	
Parks Service	Brent Resident Concessions Allotment cost per pole - Concession only on up to the first five poles for residents who are registered disabled, receiving unemployment benefits and/or 60 years and over on 1 April 2014.	Subsidised	8.35	8.35	0%	
Parks Service	Brent resident Council owned shed	Subsidised	22.50	22.50	0%	
Parks Service	Brent resident concession Council owned shed	Subsidised	11.25	11.25	0%	
Parks Service	Non resident Council owned shed	Subsidised	25.00	25.00	0%	
Parks Service	Brent resident - Nutfield Road allotments larger council-owned sheds	Subsidised	31.00	31.00	0%	
Parks Service	Brent resident concession - Nutfield Road allotments larger council-owned sheds	Subsidised	15.50	15.50	0%	
Parks Service	Non resident - Nutfield Road allotments larger council-owned sheds	Subsidised	34.50	34.50	0%	
LIBRARIES						
Libraries, Arts & Heritage	Overdue books: adults (per day)	Fair Charging	0.22	0.22	0%	
Libraries, Arts & Heritage	Overdue books: Concessions (per day)	Fair Charging	0.10	0.10	0%	
Libraries, Arts & Heritage	All other library charges e.g. Photocopying A4	Fair Charging	0.10	0.10	0%	
Libraries, Arts & Heritage	All other library charges e.g. Photocopying A3	Fair Charging	0.15	0.15	0%	
CHILDREN & YOUNG PEOPLE						
	Youth Service					
Youth Service- Summer University AJ43	A range of activities, with variable fees dependent on the cost of the course	Subsidised	10.20 - 25.50	10.20 - 25.50		Varible depending on course
Youth Service - DoE AJ28	DofE annual subscription for young people to participate expeditions-Bronze.	Cost Recovery with Discounts	25.50	25.50	0%	
Youth Service - DoE AJ28	DofE annual subscription for young people to participate expeditions-Silver.	Cost Recovery with Discounts	30.60	30.60	0%	
Youth Service - DoE AJ28	DofE annual subscription for young people to participate expeditions-Gold.	Cost Recovery with Discounts	35.70	35.70	0%	
Youth Service - DoE AJ28	Bronze Programme Expedition training Programme (includes Young people going on camping trips/expeditions using navigational skills, life skills etc)	Cost Recovery with Discounts	229.50	229.50	0%	
Youth Service - DoE AJ28	Silver Programme Expedition training Programme (includes Young people going on camping trips/expeditions using navigational skills, life skills etc)	Cost Recovery with Discounts	336.60	336.60	0%	
Youth Service - DoE AJ28	Gold Programme Expedition training Programme (includes Young people going on camping trips/expeditions using navigational skills, life skills etc)	Cost Recovery with Discounts	561.00	561.00	0%	

Service Unit	Service Provided	Charging Policy	Existing Charge (2015/16) (£)	Proposed 2016/17 Charges (£)	Percentage change in fees	Note
	Early Years & Family Support					
Early Years & Family Support	Childcare Nursery places Willow Nursery - 0 to 2 Years 8am to 4pm	Nominal	200.00	200.00	0%	
Early Years & Family Support	Childcare Nursery places Willow Nursery - 0 to 2 Years 9am to 3pm	Nominal	150.00	150.00	0%	
Early Years & Family Support	Childcare Nursery places Willow Nursery - 0 to 2 Years 8am to 6pm	Nominal	250.00	250.00	0%	
Early Years & Family Support	Childcare Nursery places Willow Nursery - 2 to 3 Years 8am to 4pm	Nominal	175.00	175.00	0%	
Early Years & Family Support	Childcare Nursery places Willow Nursery - 2 to 3 Years 9am to 3pm	Nominal	150.00	150.00	0%	
Early Years & Family Support	Childcare Nursery places Willow Nursery - 2 to 3 Years 8am to 6pm	Nominal	225.00	225.00	0%	
Early Years & Family Support	Childcare Nursery places Willow Nursery - 3 to 4 Years 8am to 4pm	Nominal	175.00	175.00	0%	
Early Years & Family Support	Childcare Nursery places Willow Nursery - 3 to 4 Years 9am to 3pm	Nominal	135.00	135.00	0%	
Early Years & Family Support	Childcare Nursery places Willow Nursery - 3 to 4 Years 9am to 3pm	Nominal	200.00	200.00	0%	
	Schools Improvement Service					
Schools Improvement Service	School Workforce Development - Annual Central Training and Development Programme Nursery/Special schools	Cost Recovery	400.00	400.00	0%	
Schools Improvement Service	School Workforce Development - Annual Central Training and Development Programme Small primary schools	Cost Recovery	3000.00	3000.00	0%	
Schools Improvement Service	School Workforce Development - Annual Central Training and Development Programme Medium primary schools	Cost Recovery	4500.00	4500.00	0%	
Schools Improvement Service	School Workforce Development - Annual Central Training and Development Programme Large primary schools	Cost Recovery	6000.00	6000.00	0%	
Schools Improvement Service	School Workforce Development - Annual Central Training and Development Programme Small Secondary School	Cost Recovery	2000.00	2000.00	0%	
Schools Improvement Service	School Workforce Development - Annual Central Training and Development Programme Medium secondary schools	Cost Recovery	3000.00	3000.00	0%	
Schools Improvement Service	School Workforce Development - Annual Central Training and Development Programme Large secondary school	Cost Recovery	3500.00	3500.00	0%	
Schools Improvement Service	School Workforce Development - Additional Support (page 6) - The service contact will discuss your requirements in detail following this initial indication of the number of days required Standard Rate - maintained schools	Cost Recovery	450.00	450.00	0%	
Schools Improvement Service	Newly Qualified Teachers - Acting as Appropriate Body for NQT Induction Standard Rate - maintained schools	Cost Recovery	100.00	100.00	0%	
Schools Improvement Service	Newly Qualified Teachers - Acting as Appropriate Body for NQT Induction Advance purchase discounted rates - maintained schools	Cost Recovery	450.00	450.00	0%	
Schools Improvement Service	Primary Teaching and Learning - Additional Support Senior officer/Link advisor standard rate per day	Cost Recovery	550.00	550.00	0%	
Schools Improvement Service	Primary Teaching and Learning - Additional Support Senior officer/Link advisor standard rate per half day	Cost Recovery	275.00	275.00	0%	
Schools Improvement Service	Primary Teaching and Learning - Additional Support Senior officer/Link advisor standard rate per hour	Cost Recovery	110.00	110.00	0%	
Schools Improvement Service	Primary Teaching and Learning - Additional Support Senior officer/Link advisor advance purchase on discounted rates (2 days advanced purchase)	Cost Recovery	1045.00	1045.00	0%	
Schools Improvement Service	Primary Teaching and Learning - Additional Support Senior officer/Link advisor advance purchase on discounted rates (3 days advanced purchase)	Cost Recovery	1485.00	1485.00	0%	
Schools Improvement Service	Primary Teaching and Learning - Additional Support Senior officer/Link advisor advance purchase on discounted rates (4 days advanced purchase)	Cost Recovery	1870.00	1870.00	0%	
Schools Improvement Service	Primary Teaching and Learning - Additional Support Senior officer/Link advisor advance purchase on discounted rates (5 days advanced purchase)	Cost Recovery	2200.00	2200.00	0%	
Schools Improvement Service	Primary Teaching and Learning - Additional Support Senior officer/Link advisor advance purchase on discounted rates	Cost Recovery		20% discount on standard daily rate		
Schools Improvement Service	Primary Teaching and Learning - Additional Support Consultant / Curriculum advisor standard rate per day	Cost Recovery	450.00	450.00	0%	
Schools Improvement Service	Primary Teaching and Learning - Additional Support Consultant / Curriculum advisor standard rate per half day	Cost Recovery	225.00	225.00	0%	
Schools Improvement Service	Primary Teaching and Learning - Additional Support Consultant / Curriculum advisor standard rate per hour	Cost Recovery	90.00	90.00	0%	
Schools Improvement Service	Primary Teaching and Learning - Additional Support Consultant / Curriculum advisor advance purchase on discounted rates (2 days advanced purchase)	Cost Recovery	855.00	855.00	0%	
Schools Improvement Service	Primary Teaching and Learning - Additional Support Consultant / Curriculum advisor advance purchase on discounted rates (3 days advanced purchase)	Cost Recovery	1215.00	1215.00	0%	
Schools Improvement Service	Primary Teaching and Learning - Additional Support Consultant / Curriculum advisor advance purchase on discounted rates (4 days advanced purchase)	Cost Recovery	1530.00	1530.00	0%	
Schools Improvement Service	Primary Teaching and Learning - Additional Support Consultant / Curriculum advisor advance purchase on discounted rates (5 days advanced purchase)	Cost Recovery	1800.00	1800.00	0%	

Service Unit	Service Provided	Charging Policy	Existing Charge (2015/16) (£)	Proposed 2016/17 Charges (£)	Percentage change in fees	Note
Schools Improvement Service	Primary Teaching and Learning - Additional Support Consultant / Curriculum advisor advance purchase on discounted rates	Cost Recovery	20% discount on standard daily rate	20% discount on standard daily rate		
Schools Improvement Service	School Leadership - Link Adviser Visits Nursery/Special schools	Cost Recovery	1500.00	1500.00	0%	
Schools Improvement Service	School Leadership - Link Adviser Visits Small primary schools	Cost Recovery	1500.00	1500.00	0%	
Schools Improvement Service	School Leadership - Link Adviser Visits Medium primary schools	Cost Recovery	2000.00	2000.00	0%	
Schools Improvement Service	School Leadership - Link Adviser Visits Large primary schools	Cost Recovery	2250.00	2250.00	0%	
Schools Improvement Service	School Leadership - Link Adviser Visits Small secondary schools	Cost Recovery	2250.00	2250.00	0%	
Schools Improvement Service	School Leadership - Link Adviser Visits Medium secondary schools	Cost Recovery	2500.00	2500.00	0%	
Schools Improvement Service	School Leadership - Link Adviser Visits Large secondary schools	Cost Recovery	3000.00	3000.00	0%	
Schools Improvement Service	School Leadership - Additional Support for school Leadership per day	Cost Recovery	550.00	550.00	0%	
Schools Improvement Service	School Leadership - Additional Support for school Leadership per half day	Cost Recovery	275.00	275.00	0%	
Schools Improvement Service	School Leadership - Additional Support for school Leadership per hour	Cost Recovery	110.00	110.00	0%	
Schools Improvement Service	School Leadership - Additional Support for school Leadership (2 days advanced purchase)	Cost Recovery	1045.00	1045.00	0%	
Schools Improvement Service	School Leadership - Additional Support for school Leadership (3 days advanced purchase)	Cost Recovery	1485.00	1485.00	0%	
Schools Improvement Service	School Leadership - Additional Support for school Leadership (4 days advanced purchase)	Cost Recovery	1870.00	1870.00	0%	
Schools Improvement Service	School Leadership - Additional Support for school Leadership (5 days advanced purchase)	Cost Recovery	2200.00	2200.00	0%	
Schools Improvement Service	School Leadership - Additional Support for school Leadership	Cost Recovery	20% discount on standard daily rate	20% discount on standard daily rate		
Schools Improvement Service	Governor Services Nursery/Special school	Cost Recovery	400.00	400.00	0%	
Schools Improvement Service	Governor Services Small primary school	Cost Recovery	700.00	700.00	0%	
Schools Improvement Service	Governor Services Medium primary school	Cost Recovery	800.00	800.00	0%	
Schools Improvement Service	Governor Services Large primary school	Cost Recovery	900.00	900.00	0%	
Schools Improvement Service	Governor Services Secondary School	Cost Recovery	950.00	950.00	0%	
Schools Improvement Service	Brent Music Service Instrumental/vocal tuition	Cost Recovery	36.00	36.00	0%	
Schools Improvement Service	Brent Music Service Large group tuition	Cost Recovery	36.00	36.00	0%	
Schools Improvement Service	Brent Music Service Music'sCool' where class teacher remains with BMS teacher	Cost Recovery	1452.00	1452.00	0%	
Schools Improvement Service	Brent Music Service Music'sCool' where BMS teacher provides PPA cover	Cost Recovery	1968.00	1968.00	0%	
Schools Improvement Service	Education Welfare Service Attached EWO for one year (Secondary School)	Cost Recovery	3250.00	3250.00	0%	
Schools Improvement Service	Education Welfare Service Attached EWO for one year (Primary School)	Cost Recovery	1100.00	1100.00	0%	
Schools Improvement Service	Education Welfare Service Daily Rate for Stage 1 Meetings	Cost Recovery	300.00	300.00	0%	
Schools Improvement Service	Education Welfare Service Half Daily Rate for Stage 1 Meetings	Cost Recovery	150.00	150.00	0%	
Schools Improvement Service	Education Welfare Service Hourly Rate for Stage 1 Meetings	Cost Recovery	60.00	60.00	0%	
Schools Improvement Service	Behaviour Support Support from the Behaviour Support Service	Cost Recovery	2250.00	2250.00	0%	
Schools Improvement Service	Behaviour Support 5 Days support to individual pupils	Cost Recovery	1125.00	1125.00	0%	
Schools Improvement Service	Behaviour Support 2 Days whole school support	Cost Recovery	855.00	855.00	0%	
Schools Improvement Service	Pre-Exclusion Support Attached pre-exclusion officer (Secondary School)	Cost Recovery	2750.00	2750.00	0%	
Schools Improvement Service	Pre-Exclusion Support Attached pre-exclusion officer (Primary School)	Cost Recovery	950.00	950.00	0%	
Schools Improvement Service	Pre-Exclusion Support Daily Rate for Stage 1 Meetings	Cost Recovery	300.00	300.00	0%	
Schools Improvement Service	Pre-Exclusion Support Half Daily Rate for Stage 1 Meetings	Cost Recovery	150.00	150.00	0%	
Schools Improvement Service	Pre-Exclusion Support Hourly Rate for Stage 1 Meetings	Cost Recovery	60.00	60.00	0%	
Schools Improvement Service	ICT Consultant / Curriculum advisor standard rate per day	Cost Recovery	450.00	450.00	0%	
Schools Improvement Service	ICT Consultant / Curriculum advisor standard rate per half day	Cost Recovery	225.00	225.00	0%	
Schools Improvement Service	ICT Consultant / Curriculum advisor standard rate per hour	Cost Recovery	90.00	90.00	0%	
Schools Improvement Service	ICT Consultant / Curriculum advisor advance purchase on discounted rates (2 days advanced purchase)	Cost Recovery	855.00	855.00	0%	
Schools Improvement Service	ICT Consultant / Curriculum advisor advance purchase on discounted rates (3 days advanced purchase)	Cost Recovery	1215.00	1215.00	0%	
Schools Improvement Service	ICT Consultant / Curriculum advisor advance purchase on discounted rates (4 days advanced purchase)	Cost Recovery	1530.00	1530.00	0%	
Schools Improvement Service	ICT Consultant / Curriculum advisor advance purchase on discounted rates (5 days advanced purchase)	Cost Recovery	1800.00	1800.00	0%	
Schools Improvement Service	ICT Consultant / Curriculum advisor advance purchase on discounted rates	Cost Recovery	450.00	450.00	0%	
Schools Improvement Service	Physical Education and School Sport Consultant / Curriculum advisor standard rate per half day	Cost Recovery	225.00	225.00	0%	
Schools Improvement Service	Physical Education and School Sport Consultant / Curriculum advisor standard rate per hour	Cost Recovery	90.00	90.00	0%	
Schools Improvement Service	Physical Education and School Sport Consultant / Curriculum advisor advance purchase on discounted rates (2 days advanced purchase)	Cost Recovery	855.00	855.00	0%	
Schools Improvement Service	Physical Education and School Sport Consultant / Curriculum advisor advance purchase on discounted rates (3 days advanced purchase)	Cost Recovery	1215.00	1215.00	0%	
Schools Improvement Service	Physical Education and School Sport Consultant / Curriculum advisor advance purchase on discounted rates (4 days advanced purchase)	Cost Recovery	1530.00	1530.00	0%	

Service Unit	Service Provided	Charging Policy	Existing Charge (2015/16) (£)	Proposed 2016/17 Charges (£)	Percentage change in fees	Note
Regulatory Services	Part B authorisation: 1-2 crushers (low risk)	Statutory	618.00	618.00	0%	
Regulatory Services	Part B authorisation: 1-2 crushers (medium risk)	Statutory	989.00	989.00	0%	
Regulatory Services	Part B authorisation: 1-2 crushers (high risk)	Statutory	1484.00	1484.00	0%	
Regulatory Services	Part B authorisation: 3-7 crushers (low risk)	Statutory	368.00	368.00	0%	
Regulatory Services	Part B authorisation: 3-7 crushers (medium risk)	Statutory	590.00	590.00	0%	
Regulatory Services	Part B authorisation: 3-7 crushers (high risk)	Statutory	884.00	884.00	0%	
Regulatory Services	Part B authorisation: Class 2/3 reduced fee (high risk)	Statutory	524.00	524.00	0%	
Regulatory Services	Part B authorisation: Class 2/3 reduced fee (medium risk)	Statutory	349.00	349.00	0%	
Regulatory Services	Part B authorisation: Class 2/3 reduced fee (low risk)	Statutory	218.00	218.00	0%	
Regulatory Services	Noise Nuisance Fixed Penalty	Statutory	100.00	100.00	0%	
Regulatory Services	Pest - survey report, no treatment	Fair charging	60.00	60.00	0%	
Regulatory Services	Commercial (incl schools) - Starter (3 mth)	Fair charging	360.00	360.00	0%	
Regulatory Services	Special treatments	Fair charging	1131.00	1131.00	0%	
Regulatory Services	Special treatments - lasers (Cat A)	Fair charging	734.00	734.00	0%	
Regulatory Services	Special treatments - massage, acupuncture, tattooing etc (cat B)	Fair charging	597.00	597.00	0%	
Regulatory Services	Special treatments - beauty treatments, etc (Cat C)	Fair charging	357.00	357.00	0%	
Regulatory Services	Special treatments - manicure, nose and ear piercing, etc (Cat D)	Fair charging	168.00	168.00	0%	
Regulatory Services	Special treatments - licence variation including addition or change of therapist	Fair charging	97.00	97.00	0%	
Regulatory Services	Dog fouling FPN	Statutory	75.00	75.00	0%	
Regulatory Services	Return of stray dog	Cost recovery	29.00	29.00	0%	
Regulatory Services	Return of stray dog (maximum)	Cost recovery	174.00	174.00	0%	
Regulatory Services	LICENSING ACT 2003					
Regulatory Services	Club registration certificate or Premises licence application - band A (RV 0 - £4.3k)	Statutory	100.00	100.00	0%	
Regulatory Services	Club registration certificate or Premises licence application - band B (RV £4.3 - 33k)	Statutory	190.00	190.00	0%	
Regulatory Services	Club registration certificate or Premises licence application - band C (RV £33k - 87k)	Statutory	315.00	315.00	0%	
Regulatory Services	Club registration certificate or Premises licence application - band D (RV £87k - 125k)	Statutory	450.00	450.00	0%	
Regulatory Services	Club registration certificate or Premises licence application - band D primarily alcohol (RV £87k - 125k)	Statutory	900.00	900.00	0%	
Regulatory Services	Club registration certificate or Premises licence application - band E (RV £125k +	Statutory	635.00	635.00	0%	
Regulatory Services	Club registration certificate or Premises licence application - band E primarily alcohol (RV £125k +	Statutory	1905.00	1905.00	0%	
Regulatory Services	Annual fee - band A (RV 0 - £4.3k)	Statutory	70.00	70.00	0%	
Regulatory Services	Annual fee - band B (RV £4.3 - 33k)	Statutory	180.00	180.00	0%	
Regulatory Services	Annual fee - band C (RV £33k - 87k)	Statutory	295.00	295.00	0%	
Regulatory Services	Annual fee - band D (RV £87k - 125k)	Statutory	320.00	320.00	0%	
Regulatory Services	Annual fee - band D primarily alcohol (RV £87k - 125k)	Statutory	640.00	640.00	0%	
Regulatory Services	Annual fee - band E (RV £125k +	Statutory	350.00	350.00	0%	
Regulatory Services	Annual fee - band E primarily alcohol (RV £125k +	Statutory	1050.00	1050.00	0%	
Regulatory Services	Additional fees (5,000 - 9,999 persons)	Statutory	1000.00	1000.00	0%	
Regulatory Services	Additional fees (10,000 - 14,999 persons)	Statutory	2000.00	2000.00	0%	
Regulatory Services	Additional fees (15,000 - 19,999 persons)	Statutory	4000.00	4000.00	0%	
Regulatory Services	Additional fees (20,000 - 29,999 persons)	Statutory	8000.00	8000.00	0%	
Regulatory Services	Additional fees (30,000 - 39,999 persons)	Statutory	16000.00	16000.00	0%	
Regulatory Services	Additional fees (40,000 - 49,999 persons)	Statutory	24000.00	24000.00	0%	
Regulatory Services	Additional fees (50,000 - 59,999 persons)	Statutory	32000.00	32000.00	0%	
Regulatory Services	Additional fees (60,000 - 69,999 persons)	Statutory	40000.00	40000.00	0%	
Regulatory Services	Additional fees (70,000 - 79,999 persons)	Statutory	48000.00	48000.00	0%	
Regulatory Services	Additional fees (80,000 - 89,999 persons)	Statutory	56000.00	56000.00	0%	
Regulatory Services	Additional fees (90,000 +)	Statutory	64000.00	64000.00	0%	
Regulatory Services	Annual additional fees (5,000 - 9,999 persons)	Statutory	500.00	500.00	0%	
Regulatory Services	Annual additional fees (10,000 - 14,999 persons)	Statutory	1000.00	1000.00	0%	
Regulatory Services	Annual additional fees (15,000 - 19,999 persons)	Statutory	2000.00	2000.00	0%	
Regulatory Services	Annual additional fees (20,000 - 29,999 persons)	Statutory	4000.00	4000.00	0%	
Regulatory Services	Annual additional fees (30,000 - 39,999 persons)	Statutory	8000.00	8000.00	0%	
Regulatory Services	Annual additional fees (40,000 - 49,999 persons)	Statutory	12000.00	12000.00	0%	
Regulatory Services	Annual additional fees (50,000 - 59,999 persons)	Statutory	16000.00	16000.00	0%	
Regulatory Services	Annual additional fees (60,000 - 69,999 persons)	Statutory	20000.00	20000.00	0%	
Regulatory Services	Annual additional fees (70,000 - 79,999 persons)	Statutory	24000.00	24000.00	0%	
Regulatory Services	Annual additional fees (80,000 - 89,999 persons)	Statutory	28000.00	28000.00	0%	
Regulatory Services	Annual additional fees (90,000 +)	Statutory	32000.00	32000.00	0%	
Regulatory Services	Provisional statement application	Statutory	315.00	315.00	0%	
Regulatory Services	Transfer premises licence	Statutory	23.00	23.00	0%	

Service Unit	Service Provided	Charging Policy	Existing Charge (2015/16) (£)	Proposed 2016/17 Charges (£)	Percentage change in fees	Note
Regulatory Services	Premises variation	Statutory	varies	varies		
Regulatory Services	DPS variation	Statutory	23.00	23.00	0%	
Regulatory Services	Minor variation	Statutory	89.00	89.00	0%	
Regulatory Services	Review application	Statutory	varies	varies		
Regulatory Services	Expedited review	Statutory	varies	varies		
Regulatory Services	Temporary Event Notice	Statutory	21.00	21.00	0%	
Regulatory Services	Personal licence	Statutory	37.00	37.00	0%	
Regulatory Services	Interim authority notice	Statutory	23.00	23.00	0%	
Regulatory Services	Copy of premises licence	Statutory	10.50	10.50	0%	
Regulatory Services	Copy of personal licence	Statutory	10.50	10.50	0%	
Regulatory Services	Notification of change of name or or registered address or club rules	Statutory	10.50	10.50	0%	
Regulatory Services	Surrender application	Statutory	varies	varies		
Regulatory Services	Film classification	Cost recovery	15.00	15.00	0%	
Regulatory Services	Approval as venue for marriages	Statutory	varies	varies		
Regulatory Services	Notification of freeholder	Statutory	21.00	21.00	0%	
Regulatory Services	Wembley Stadium Annual Licensing Fee	Statutory	32000.00	32000.00	0%	
	GAMBLING ACT 2005					
Regulatory Services	Premises licence	Statutory	varies	varies		
Regulatory Services	Premises licence annual Fee	Statutory	varies	varies		
Regulatory Services	Premises licence - variation	Statutory	varies	varies		
Regulatory Services	Premises licence - review	Statutory	varies	varies		
Regulatory Services	Premises licence - transfer	Statutory	varies	varies		
Regulatory Services	Premises licence - provisional statement	Statutory	varies	varies		
Regulatory Services	Notification of gaming machine permit	Statutory	50.00	50.00	0%	
Regulatory Services	Notification of gaming machine - Copy Permit	Statutory	15.00	15.00	0%	
Regulatory Services	Notification of gaming machine - Change of premises name	Statutory	25.00	25.00	0%	
Regulatory Services	Licensed premises gaming machine permit	Statutory	100.00	100.00	0%	
Regulatory Services	Licensed premises gaming machine permit- transfer	Statutory	25.00	25.00	0%	
Regulatory Services	Licensed premises gaming machine permit- change of name	Statutory	25.00	25.00	0%	
Regulatory Services	Licensed premises gaming machine permit- copy of permit	Statutory	15.00	15.00	0%	
Regulatory Services	Unlicensed family entertainment permit - change of name	Statutory	25.00	25.00	0%	
Regulatory Services	Club gaming & club machine permits - new	Statutory	200.00	200.00	0%	
Regulatory Services	Club gaming & club machine permits - renewal of existing part 2 or existing part 3	Statutory	100.00	100.00	0%	
Regulatory Services	Club gaming & club machine permits - holder of existing club premises certificate (under LA 2003)	Statutory	100.00	100.00	0%	
Regulatory Services	Club gaming & club machine permits - annual fee	Statutory	50.00	50.00	0%	
Regulatory Services	Small lotteries	Statutory	40.00	40.00	0%	
Regulatory Services	Small lotteries Annual Fee	Statutory	20.00	20.00	0%	
Regulatory Services	Temporary Use Notice (T.U.N.)	Statutory	500.00	500.00	0%	
Regulatory Services	Occasional Use Notice (O.U.N.)	Statutory	0.00	0.00		
	GENERAL LICENSING					
Regulatory Services	Animal boarding	Cost recovery	227.00	227.00	0%	
Regulatory Services	Breeding of dogs	Cost recovery	227.00	227.00	0%	
Regulatory Services	Dangerous wild animals	Cost recovery	308.00	308.00	0%	
Regulatory Services	Leaflet distribution (application)	Cost recovery	179.00	179.00	0%	
Regulatory Services	Leaflet distribution	Cost recovery	77.00	77.00	0%	
Regulatory Services	Occasional sales except educational establishments (application)	Cost recovery	175.00	175.00	0%	
Regulatory Services	Occasional sales educational establishments (application)	Cost recovery	88.00	88.00	0%	
Regulatory Services	Performing animals	Cost recovery	231.00	231.00	0%	
Regulatory Services	Pet animals (pet shops)	Cost recovery	180.00	180.00	0%	
Regulatory Services	Poisons	Cost recovery	95.00	95.00	0%	
Regulatory Services	Poisons (alteration)	Cost recovery	40.00	40.00	0%	
Regulatory Services	Riding establishments	Cost recovery	453.00	453.00	0%	
Regulatory Services	Sex establishments	Cost recovery	5000.00	5000.00	0%	
Regulatory Services	Street Container licence	Cost recovery	53.00	53.00	0%	
Regulatory Services	Street trading (new application)	Cost recovery	73.00	73.00	0%	
Regulatory Services	Street trading (temporary application)	Cost recovery	175.00	175.00	0%	
Regulatory Services	Street trading (alteration)	Cost recovery	49.00	49.00	0%	
Regulatory Services	Shop front trading (monthly fee)	Cost recovery	90.00	90.00	0%	
Regulatory Services	Explosives licence 1-250Kg (fireworks)	Statutory	105.00	105.00	0%	
Regulatory Services	Explosives licence 251-2,000Kg (fireworks)	Statutory	83.00	83.00	0%	
Regulatory Services	Explosives licence 1-250Kg (fireworks renewal)	Statutory	178.00	178.00	0%	

Service Unit	Service Provided	Charging Policy	Existing Charge (2015/16) (£)	Proposed 2016/17 Charges (£)	Percentage change in fees	Note
Regulatory Services	Explosives licence 251-2,000Kg (fireworks renewal)	Statutory	52.00	52.00	0%	
Regulatory Services	Fireworks All Year Round licence	Statutory	500.00	500.00	0%	
Regulatory Services	Transfer or lost explosives licence	Statutory	35.00	35.00	0%	
Regulatory Services	Occasional sales except educational establishments (per stall)	Cost recovery	10.00	10.00	0%	
Regulatory Services	Occasional sales educational establishments (per stall)	Cost recovery	5.00	5.00	0%	
Regulatory Services	Scrap metal licence - new	Cost recovery	600.00	600.00	0%	
Regulatory Services	Scrap metal licence - renewal	Cost recovery	450.00	450.00	0%	
Regulatory Services	Scrap metal licence - variation	Cost recovery	300.00	300.00	0%	
Regulatory Services	Scrap metal licence - minor variation	Cost recovery	150.00	150.00	0%	
Regulatory Services	Scrap metal collector licence - new	Cost recovery	350.00	350.00	0%	
Regulatory Services	Scrap metal collector licence - renewal	Cost recovery	250.00	250.00	0%	
Regulatory Services	Scrap metal collector licence - variation	Cost recovery	175.00	175.00	0%	
Regulatory Services	Scrap metal collector licence - minor variation	Cost recovery	100.00	100.00	0%	
Regulatory Services	Street trading (annual renewal)	Cost recovery	37.00	37.00	0%	
Regulatory Services	Street trading (daily fee per square metre)	Cost recovery	3.00	3.00	0%	
Regulatory Services	Scaffolding or hoarding damage	Cost recovery	Cost of damage + 25%	Cost of damage + 25%		
Regulatory Services	Repairs to footway carriageway caused by skips	Cost recovery	Cost + 25%	Cost + 25%		
Regulatory Services	Builders material damage	Cost recovery	Cost + 25%	Cost + 25%		
	MARRIAGE ACT- Based on seated capacity					
Regulatory Services	Marriage Licence - Up to 50	Statutory	600.00	600.00	0%	
Regulatory Services	Marriage Licence - 51-100	Statutory	700.00	700.00	0%	
Regulatory Services	Marriage Licence - 101-200	Statutory	800.00	800.00	0%	
Regulatory Services	Marriage Licence - 201-300	Statutory	900.00	900.00	0%	
Regulatory Services	Marriage Licence - 301- 400	Statutory	1000.00	1000.00	0%	
Regulatory Services	Marriage Licence - 401 - 500	Statutory	1100.00	1100.00	0%	
Regulatory Services	Marriage Licence - 501 and above	Statutory	1500.00	1500.00	0%	
Regulatory Services	Marriage licence variation	Statutory	90.00	90.00	0%	
	Trading Standards					
Regulatory Services	Officers working Stadium Events	Fair Charging	35.00	35.00	0%	
	PUBLIC SAFETY					
Regulatory Services	Stadium Safety Certification (Special)	Cost recovery	3000.00	3000.00	0%	