



Budget and Finance Overview and Scrutiny Committee

Tuesday 12 November 2013 at 7.00 pm

Boardroom - Brent Civic Centre, Engineers Way,
Wembley, HA9 0FJ

Membership:

Members

Councillors:

Hopkins (Chair)
Kataria (Vice-Chair)
Brown
S Choudhary
HB Patel
RS Patel
Ketan Sheth
Van Kalwala

first alternates

Councillors:

Ashraf
Harrison
Green
Chohan
BM Patel
Long
Jones
Allie

second alternates

Councillors:

Clues
Hector
Lorber
Moloney
HM Patel
Oladapo
Gladbaum
Daly

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democracy.brent.gov.uk

The press and public are welcome to attend this meeting

Agenda

Introductions, if appropriate.

Apologies for absence and clarification of alternate members

Item	Page
1 Declarations of personal and prejudicial interests	
Members are invited to declare at this stage of the meeting, any relevant financial or other interest in the items on this agenda.	
2 Deputations (if any)	
3 Minutes of the previous meeting	1 - 4
4 Matters arising	
5 Adult Social Care	
The Interim Director of Adult Social Services will be attending the meeting to present to members the current budget issues facing the council	
6 Budget Update	
The Operational Director of Finance will provide an update to the committee on issues relating to the development of the 2014/15 budget	
7 Work Programme 2013/14	5 - 10
The work programme is attached.	
8 Any other urgent business	
Notice of items to be raised under this heading must be given in writing to the Democratic Services Manager or his representative before the meeting in accordance with Standing Order 64.	
9 Date of Next Meeting	
The next scheduled meeting of the Committee is on 2 December 2013.	



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

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MINUTES OF THE BUDGET AND FINANCE OVERVIEW AND SCRUTINY COMMITTEE Tuesday 8 October 2013 at 7.00 pm

PRESENT: Councillor Hopkins (Chair), Councillors HB Patel and RS Patel

Also present: Councillors Butt and R Moher

Apologies for absence were received from: Councillors Kataria, S Choudhary, Ketan Sheth and Van Kalwala

1. Declarations of personal and prejudicial interests

None.

2. Deputations

None

3. Minutes of the previous meeting

RESOLVED:-

that the minutes of the previous meeting held on 11 September 2013 be approved as an accurate record of the meeting.

4. Matters arising

At the previous meeting members were informed that 2,000 households would be affected by the overall benefits cap. Members sought clarification how many people, as a result of this, had already been moved outside of the borough and how many were due to be moved. Officers stated that the Leader of the Council would be able to provide the committee with these figures.

Officers confirmed that there would £1m funding per year, for the next this year and the next two years for the new employment service.

Members questioned 'if the lower than predicted' council tax collection figure would impact on the budget for next year. Mick Bowden clarified that the in- year collection rate was 93.8%. However the budget was based on the collection rate for the whole year and that was always higher than the in-year figure and therefore they were on target for the budget.

5. **Budget update**

Mick Bowden (Deputy Director of Finance) reminded members that at the previous meeting members were informed about the current medium term financial strategy (MTFS), with an anticipated worsening of the financial position larger. He added that the Government had now announced more details about their proposals at a national level. This meant that it had possible to estimate what the impact may be for Brent based on the national figures.

With regard to Revenue Support Grant it was explained that there would be further reductions in excess of those already expected; being an additional £2m in 2014/15, £12.9m in 2015/16 and £1.1m in 2016/17. The council would also be losing £2.7m in 2015/16 as the New Homes Bonus was due to be top sliced by £400m nationally.

Members were informed that there was positive news on the assumptions that had been made on business rates. It was explained that councils retained 30% of the business rates collected and that the new London Designer Outlet (LDO) had helped boost expected business rates within Brent. Mick Bowden concluded by stating that there was a three year gap of £65.9m, with a significant gap of £33.6m in 2015/16.

In response to questions raised by members, Mick Bowden informed members that Central Government had not yet stated the specifics of New Homes Bonus funding to Local Enterprise Partnerships and therefore it was not known whether there would be specific criteria as to how the money had to be spent. Mick Bowden stated that he believed that regardless of what happened at the next general election that all the political parties would continue with the current spending plan. In regards to business rates, it was explained that initial change was cost neutral for the council. However due to the subsequent growth in the borough the council benefited from the new business rates scheme.

6. **Environment and Neighbourhoods budget presentation**

Sue Harper, Strategic Director of Environment and Neighbourhoods, introduced the report, explaining that the Environment and Neighbourhoods department looked quite different from last year. The biggest change had been the move of the Waste and Recycling team to the Neighbourhoods division. This had happened as they had gone out to tender for a new public realm contract which also included grounds maintenance and it therefore made sense for all of it to sit under one Operational Director. It was also explained that following the corporate restructure that Environment and Neighbourhoods had also assumed responsibility for the Registrars and Nationality service, as well as Strategic Transportation. Finally Community Safety were also reporting to Sue Harper. Therefore the department was much larger than it was last year. Despite its size, the department was still due to be £14k under budget this year. It was explained that part of the £2m showing in the directorate budget was the community safety budget.

Recycling and Waste and Parking were deemed to be the biggest key risk areas in the department for the upcoming year. Parking was currently forecast to be £63k over budget. Parking was deemed to be a risk for a number of reasons including

the fact that a new external company had recently taken over the parking contract. It had been forecast that there would be a temporary drop in productivity at this time and this had been a correct assumption. It was explained that future parking charges estimates had been based on assumptions about behaviour change by motorists and that this was very hard to predict. Therefore they may need to reassess the expected income from parking in the future. Parking was being monitored closely though, especially as it was a One Council project and therefore monthly updates were given at DMT.

Recycling and Waste was also deemed to be a high risk area as it had been forecast to overspend by £850k at the start of 2013/14. This had now been reduced to £12k overspend. It was explained that there were a number of reasons for the reduction in overspend. This included organic waste collection being down in June and July, which reflected a national trend. It was believed that this was partly due to the dry weather which meant people had not been cutting their grass as often. It was also due to the work done at the Twyford Reuse centre and BHP, who were disposing of their own waste now. The department had also changed the way they dealt with fly tippers. If it was traders who were consistently offending then the council were enforcing penalties. The council had also now rolled out organic waste bins to flats.

When questioned how much education and outreach they did to educate people, Jenny Isaac informed members that they had tried a number of approaches to educate people. They were working with people in the parts of the borough where recycling was lowest to encourage and educate them about recycling. They were also working with people in the borough where recycling was slightly below average and could be improved. They had also visited primary schools in the past but were delaying that this year until the winter months. Members queried how the department monitored waste and recycling. It was explained that they broke waste down into residual, dry and organic waste and looked at the tonnage per year and the cost per tonne. This was monitored and analysed fortnightly. The officers agreed that more needed to be done by Central Government to make companies stop using excessive packaging.

7. One Council budget savings

The PMO Manager, Irene Bremang, gave members an overview of the One Council project, explaining that a more detailed report was going to the One Council meeting the next day. Members were reminded that the last time they had received an update on the One Council Project was in December 2012. There were 36 projects then, there were now 40 projects in the programme. Out of those 40 projects, 26 were complete, 4 were awaiting completion and 10 were live projects that were due to be delivered this year. At the end of 2012/2013 the One Council project had delivered accumulative savings of £54.6m which was £1.2m short of the initial target. However it was recognised that this was a significant amount of money to save. By the end of the One Council programme in 2014/15 it was expected that the accumulative savings would be £76.4m.

Members were informed that it had been decided that the integrating Health and Social Care agenda was to be managed outside of the One Council project as it was too large for one single project. Therefore the savings from this would be delivered outside of the programme. It was explained that the delivery costs for

each project was monitored in the programme costs and this had reduced year on year.

Sue Harper agreed that the underlying philosophy of the One Council Project should remain after the project ended in 2014/15. It was stated that the £76m saved so far was the product of good project work. However the Council would have to look at other ways of saving money in the future including joint working and joint procurement. In response to a question about the Town Hall, it was explained that planning permission had been granted for the Town Hall and the sale of the building was in the range of the Civic Centre business case assumptions, as was the sale of Brent House.

8. Work programme 2013/14

The Chair informed members that the meeting in December had been moved to 2 December to ensure a more balanced work programme over the next two meetings.

9. Any other urgent business

None.

10. Date of Next Meeting

The committee noted that the next meeting was scheduled to take place on 12 November 2013.

The meeting closed at 8.20 pm

A HOPKINS
Chair

**Budget & Finance Overview & Scrutiny Committee Work Programme 2013/14
Chair Cllr Hopkins**

Date of Meeting	Purpose of Agenda item	Requested Information / Evidence	Invited witnesses	Notes
23 rd July 2013	<p>To receive the report on the Budget Strategy 2013/14 – 2015/16.</p> <p>WLWA – Financial management and procurement project</p> <p>Work Programme for 2013/14</p>	<ul style="list-style-type: none"> • Work Programme discussion 	<p>Mick Bowden, Deputy Director of Finance</p> <p>Jim Brennan, Director WLWA Sue Harper, Director of Environment & Neighbourhoods Councillor Marshari Lead Member for Environment and Neighbourhoods</p>	
11 th September 2013	Regeneration & Growth	<p>A presentation on;</p> <ul style="list-style-type: none"> • The departments current budget position • Budget pressures, and Actions being taken to deal with 	Andy Donald, Director of Regeneration & Growth	

	Budget Update	<p>those issues</p> <ul style="list-style-type: none"> • The Capital Programme <p>To provide members with information regarding the current budget position.</p>	Mick Bowden, Deputy Director of Finance	
8 th October 2013	<p>Environment & Neighbourhoods</p> <p>One Council Budget Saving</p>	<p>A presentation on;</p> <ul style="list-style-type: none"> • The departments current budget position • Budget pressures, and Actions being taken to deal with those issues 	<p>Sue Harper, Director of Environment & Neighbourhoods</p> <p>Irene Bremang</p>	

	Budget Update	To provide members with information regarding the current budget position	PMO Manager Mick Bowden, Deputy Director of Finance	
12 th November 2013	Budget Update Adult Social Care	First Reading Debate update – to include emerging finding from the budget consultation A presentation on; <ul style="list-style-type: none"> • The departments current budget position • Budget pressures, and Actions being taken to deal with those issues 	Lead Member for Finance & Resources Phil Porter acting Director Adult Social Care	
2nd December	Budget Update	To provide members with the latest budget information.	Mick Bowden	

		prior to the Executive		
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