

**Executive Response to the recommendations of the Resources and Public
Realm Scrutiny Committee Budget Scrutiny Report**

01 October 2020

- 1. Brent's finance team should continually review the headline budget totals allocated to each department in a bid to avoid repeated budget under/overspends.***

As part of the budget setting process, growth assumptions and cost pressures are regularly reviewed to ensure, where possible, departments have the necessary budgets to contain unavoidable growth in expenditure, for example contractually obliged inflation, demographic growth in various age cohorts and other inflationary pressures. Over the last few years, this has been largely successful where, overall, the Council has kept within its budget.

- 2. The council should change its procedure to ensure that its financial reports clearly state which lead member has signed off on which mitigating steps, and on which date.***

The budget monitoring process has now been updated to ensure Lead member briefings take place before forecast reports are presented to Cabinet to ensure a consistent approach. Operational changes or financial mitigations that do not have an impact on policy outcomes are dealt with via correspondence between officers and the Lead member.

- 3. Cabinet members should also feel that it is incumbent upon them to bring back any mitigation steps which might change council policy, to the lead group.***

This is a matter for the Leading Group.

- 4. All incoming cabinet members should receive bespoke local government finance training as part of their induction. This training should also be made readily available for backbenchers, so they can gain the confidence to hold the cabinet to account on budgetary issues.***

At present, all members receive an induction, which includes a section on an introduction to local government finance. This will continue to be reviewed and developed so that it is up to date on recent local government finance issues. In addition, 1-1's have now been arranged between Lead members and their finance lead. These sessions will be used to provide regular/topical updates as well as training on key financial matters within their portfolio.

Update September 2020: A Member Learning & Development session on Local Government Finance took place on 16 September 2020.

- 5. The Audit committee should analyse the council's recent capital investments to discover the extent to which they have achieved their goal***

of reducing Brent's ongoing revenue costs.

This recommendation is accepted.

Update September 2020: An analysis of whether the Council's capital investments have delivered revenue savings will be presented in the Capital Strategy which will be presented to Audit committee, Cabinet and Full Council as part of the annual budget setting process in February 2021.

6. Brent should explore all possible avenues to support businesses in Brent, particular by looking at how local public sector organisations procure services.

The Council has a Social Value Policy that encourages local spend to support the Brent economy. The policy requires 10% of contract evaluation weighting to relate to social value for all contracts over £100k, and within tender documents the bidding contractors are asked to clarify how they will engage with the local supply chain. Procurement guidance also states that for low value contracts of £25-189k, where three quotes are required for tenders, one should be a local supplier if possible. The Social Value Policy is currently being reviewed and once published can be shared with local partner organisations to encourage good practice across the borough.

To support local SMEs to access the supply chain in Brent, the council's Brent for Business programme now includes an annual construction Meet the Buyer event, taking place on the 18th March 2020. This will be attended by developers and local suppliers, connecting them to live or upcoming contract opportunities. This includes developers that hold Section 106 Planning Agreements with the council who are encouraged to engage with local suppliers. In addition, a Business Expo is taking place on the 22nd April 2020 that will provide a range of business support. Procurement will be involved to promote council contract opportunities and provide advice.

7. A report on the way the DSG, and in particular its high needs block, is spent should be sent to the community and wellbeing scrutiny committee as soon as possible.

This recommendation is accepted. A report will be referred to the Community and Wellbeing Scrutiny Committee.

8. The council should ringfence the money generated by the one-off sale of additional burial plots for a programme of street tree planting and maintenance.

In general, Cabinet accepted the spirit of this recommendation at its meeting on the 10th February 2020. Recommendation 2.5 was revised to recommend to full Council that any overall underspend across the General Fund at the end of March 2020 is ring fenced for expenditure on yet to be agreed spending proposals on the climate change emergency. This proposal will be revisited once the year end accounts are closed.

Update September 2020: the Council's outturn of income and expenditure for 2019/20 was presented to Cabinet in July 2020, which noted that the overall financial position was breakeven.

9. *The council should explore the opportunity to 'spend to save' by hiring new trading standards officers to rigorously pursue money under proceeds of crime legislation.*

Trading Standards already offers its financial investigation service to other local authorities. In return, a contractually agreed share of 'incetivisation money' awarded by the Home Office is retained as a fee for this service or an hourly rate is charged to cover costs in the event that a confiscation order is not obtained. The scope to extend this work is limited as many local authorities employ their own in-house financial investigators whilst others offer a service very similar to our own. Furthermore, some local authorities have not prioritised the prosecution of offenders within their enforcement work reducing options for financial investigation.

To avoid legal challenge, the Council must take care that it is not preserved as using the confiscation process as a way of generating itself income and that powers are used correctly, where necessary and proportionately to do so. However, current volumes of work are high and the option of rigorously pursuing cases would be welcomed. Exploring this recommendation further is agreed.

10. *Brent should work with other boroughs, through London Councils and LGA, to lobby for the powers to levy proportionate charges on parked motorcycles. The council should also step up their campaign for the powers to levy a tourist tax in Brent.*

These proposals have already been raised with London Councils.

11. *Brent's Infrastructure Delivery Plan should direct how CIL spending is prioritised. This document should come to the appropriate scrutiny committee for pre-scrutiny.*

A strategy for prioritising strategic CIL spend is being worked on, for consideration by Cabinet later in the year. This will prioritise CIL spend on infrastructure identified in the Infrastructure Delivery Plan, which is needed to support development in the Borough outlined in the Brent Local Plan.

Update September 2020: A report titled "Proposals for a Community Infrastructure Levy (CIL) Governance Strategy" was approved by Cabinet on 7 Sep 2020.

12. *Opportunities to drive efficiency by aggregating CIL funds, for example for new trees and recycling friendly bins, should be pursued.*

The CIL strategy mentioned above will look at opportunities for amalgamating spend, however it must be stressed that strategic CIL has to be spent on infrastructure to support development in the Borough and cannot be used to

make up for existing infrastructure deficits or other items that do not support the development in the Borough.

13. The council should develop a strategy to ensure its officers signpost residents to voluntary sector alternatives wherever possible.

The Council has made a significant investment in expanding and improving advice services within the borough. Residents who are in need can be signposted to appropriate voluntary sector support through this provision.

The Council also funds an advice website, <https://www.bam.org.uk> which offers information on a range of services for example health and wellbeing, housing and immigration. The website can be accessed directly by local people, in addition it is used by officers to signpost residents to relevant voluntary sector alternatives. Brent CVS is funded to publicise and raise awareness of this website to all local stakeholders.

14. The work of budget scrutiny should be more closely coordinated with the audit committee, who should have a place on next year's panel.

This recommendation is accepted.

The last Audit and Standards Advisory Committee on 20 January 2020 (agenda item 14 on the link below) commented on the complimentary roles of the audit committee and the scrutiny committee. This recommended that a more joined up approach to setting work programmes be taken forward to identify any areas where the potential for complementary work could be undertaken in order to support the respective reviews.

<http://democracy.brent.gov.uk/ieListDocuments.aspx?Cld=717&Mld=5472&Ver=4>