



# **Report of the Budget Scrutiny Task Group**

Scrutiny of the Budget Proposals 2022/23

A Report of the Resources and Public Realm Scrutiny Committee

**18 January 2022**

## **Members of the Budget Scrutiny Task Group**

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# 1. Introduction

- 1.1. In February 2021, Brent Council agreed a Medium Term Financial Strategy (MTFS) that sought to provide the financial framework for the years 2021/22 to 2022/23. The programme, developed through a combination of effective financial management, cost control and more innovative approaches to investment and demand management, set out the delivery of £11.2m of savings (profiled £8.5m in 2021/22 and £2.7m in 2022/23) in order to deliver balanced budgets over the two year period.
- 1.2. At the time the MTFS was agreed, it was recognised that Brent Council was already operating in a significantly challenging financial environment prior to the outbreak of Covid19, which has compounded pressures across demand led services and income streams. As part of the 2021/22 budget setting process significant growth was built into the MTFS to manage the financial impact on Covid19. This was based on modelling various scenarios against key demand led services and activities that were judged to be particularly sensitive to the impact of Covid19 and government interventions. To date this additional growth has been able to contain the pressures currently being experienced. It should be noted that assumptions are subject to constant change in order to manage uncertainties and risks.
- 1.3. The MTFS provides a framework to invest in the council's ambitions and priorities. This includes:
  - £1m of recurring funding to support the delivery of key strategies, including the Climate Emergency, Tackling Poverty and the Black Community Action Plan
  - £17m to enable a sustainable and inclusive recovery from the pandemic, including communities, supporting businesses, reducing health inequalities and a green recovery.
- 1.4. The Cabinet considered the draft budget on 6 December 2021. The main features of the 2022/23 budget - depending on consultation outcomes - are currently:
  - A council tax increase of 2.99%, making a Band D council tax of £1,419.48 (for the Brent element). The GLA precept, which typically makes up 20% of the overall bill, is currently unknown and is subject to their own decision making.
  - Budget savings proposals (all of which were considered by a budget scrutiny task group in 2020/21) with an aggregate value of £2.7m
- 1.5. The Brent Council Constitution requires that the Cabinet's budget proposals be considered by the Council's Resources and Public Realm Scrutiny Committee (RPRSC). After it has scrutinised the proposals, the Committee is then to submit a note of its deliberations and comments on the proposals to the Cabinet. This report provides the note of the Committee's consideration of the budget proposals, highlighting key points from the Committee.
- 1.6. RPRSC agreed to scrutinise the 2022/23 draft budget through a budget scrutiny task group (BTSG), and it was established on 13 July 2021. The approach taken is laid out in section three of this report.
- 1.7. The task group received reports and oral evidence from Cabinet Members, council officers and other witnesses. Key witnesses included the Cabinet Member for Resources, the Director of Finance, as well as each of the Cabinet Members for their relevant portfolios and service budgets. The full list of participants is provided at the end of this report.
- 1.8. Having considered the council's budget proposals and having questioned the Cabinet Members and senior officers outlined, the BTSG has produced this report. This report will be submitted to the Cabinet and Full Council for consideration, alongside the report from the Director of Finance on final budget proposals (scheduled for 7 February 2022).

## 2 Recommendations

2.1. The Budget Scrutiny Task Group makes the following recommendations to Cabinet:

### **Recommendation 1**

The task group heard evidence on the sobering situation the council will find itself in as it sets budgets for 2023/24 onwards. Balancing increasing demands and pressures against diminished resources within the budget process will be critical. To mitigate potential impacts on communities the task group recommends that:

- Community involvement and conversation is at the heart of the budget priority setting process for 2023/24, informing what the council does and who it does it for. There is an opportunity to link this into the new Borough Plan consultation process.
- The Cabinet prioritises those in greatest need, and activity to reduce reliance on council services.
- Schemes in place to support people (e.g. the Resident Support Fund) are bolstered.
- The Cabinet increases meaningful employment for people with a mental health concern or disability across all age groups.
- The task group supports the sustainability agenda and retrofitting, and recommends the Cabinet gives consideration to needs of leaseholders and tenants in respect of support provision.

### **Recommendation 2**

The task group heard evidence of the need to develop and deliver a number of lobbying strategies, as outlined below:

- The Cabinet should lobby for increases in the Dedicated Schools Grant (DSG) notably the High Needs Block of the DSG which is currently in deficit. The task group was pleased with the activity undertaken to manage the deficit, but noted this will not be enough to remove the deficit and meet rising demand without increased funding.
- Brent Council and Integrated Care Partnership should lobby the North West London Integrated Care System to ensure Brent gets a fair share of funding.
- The task group noted the plans to conduct investigations into the true costs of retrofitting in eight high rise buildings scheduled for major works in order to support future lobbying activity. The task group recommends that this investigation should also cover the costs of retrofitting street properties.

### **Recommendation 3**

The task group was pleased to observe a very healthy relationship between the council and Brent schools. The task group noted areas where joint activity could be further progressed:

- The development of plans to coordinate and share special educational needs training, knowledge and expertise across the system.
- Work to increase the number of children in the south of the borough choosing to be educated within Brent.

The task group recommends that the Cabinet takes forward these opportunities.

### **3. Evidence Sessions**

#### **Initial session**

- 3.1 The initial session was held on 26 August 2021. BSTG heard from officers on the council's latest overall financial position (the July 2021 Cabinet report), the MTFS, the proposed budget setting strategy for 2022/23, the current budget outturn performance and the Covid19 recovery programme.
- 3.2 The BSTG also discussed the approach to be taken to scrutinise the 2022/23 budget proposals. The BSTG agreed to take the following approach to conduct the scrutiny:
- An initial session to agree approach and consider any early evidence
  - A focus group with key voluntary and community sector partners
  - An evidence session focused on community and wellbeing services, including hearing testimony from our school partners
  - An evidence session focused on public realm and resources services, including hearing testimony from the Brent Hubs manager.
  - An evidence session to consider the 6 December 2021 Cabinet papers, the local government financial settlement and emerging recommendations
- 3.3 There were a number of specific areas that the BSTG agreed to scrutinise in depth, specifically:
- The pressure within the Dedicated School Grant and the robustness of approaches taken to ensure that the council is managing spend as far as is possible.
  - The £17m Covid19 Recovery package agreed at Full Council in July 2021 – specifically what this has been allocated to and the speed of delivery.
  - The implications of Covid19 on the adult social care budget, particularly on mental health and long Covid19.
  - The plan to manage the work undertaken on health inequalities when the £700k DLUHC grant comes to an end.
  - The impacts of Covid19 on income from business rates, council tax and HRA rents and whether this is sufficiently taken into account in the proposed budget
  - To test whether the assumptions that were agreed for the 2022/23 budget in February 2021 were still valid.
- 3.4 This approach built on previous budget scrutiny task groups, and with the inclusion of focus groups and partners represented an innovative approach to gain full insight into the MTFS progress and plans. It also enabled the BSTG to consider emerging budget pressures for 2022/23 onwards.

#### **Focus Group**

- 3.5 The focus group was held on 3 November 2021. Attendees were invited from across the voluntary and community sector. There were representatives from a mix of larger and smaller organisations, across a wide range of specialist areas. The BSTG sought to understand their experiences, pressures and priorities.
- 3.6 There were areas where attendees thought the council and partners worked well together – key examples were:
- Areas of strong partnership working were identified - particularly the Brent hubs and digital inclusion activity
  - The social value framework is seen as a valuable tool
  - Some organisations felt strong support from the council, particularly in tough times.

- There was a sense of a shared vision – the thematic leads approach seen as strong, with future aims to connect the voices of the small front line organisations to the policy space.

3.7 Some areas of particular focus emerged for future priorities, including:

- How we galvanise how we support the most vulnerable, with this being the key challenge for the budget and the council.
- Food is an issue that needs a strategic partnership approach e.g. sustainability of food networks, costs of food.
- There should be increased investment in prevention and intervention, with pandemic impacts meaning an increased need for one to one support to get people back to where they were.
- That employment for people with a learning disability, with a real route into real and meaningful jobs is vital.
- Housing and housing repairs, private rented sector, and benefits are big issues in presentations to social prescribers.

### **Community and Wellbeing Evidence Session**

3.8 The community and wellbeing evidence session was held on 9 November 2021.

3.9 During the evidence session, the BSTG considered the overall progress against the MTFs budget proposals, heard oral evidence, and questioned Cabinet Members, Strategic Directors and other departmental officers. The BSTG considered the departmental budget pressures and the strategies for managing ongoing demand-led pressures. A number of papers were considered.

### **Children and Young People financial summary and DSG**

3.10 The BSTG heard evidence from head teachers (representing primary, secondary and special schools in Brent) in relation to the Direct Schools Grant, in particular the pressures within the High Needs Block of the DSG. Demand has continued to increase and despite additional funding from the Department of Education (DfE) it has not been possible to recover the deficit which began in 2019/20. A longer term financial management plan to recover the deficit has been established.

3.11 Head teachers were requested to outline what the deficit means on the ground, and outline how they are managing. The BSTG heard:

- The ongoing need for SEND has been a year on year issue, complexity of need is growing year on year too. Covid implications and related social care needs have impacted further.
- Schools have lots of well trained, specialist staff and there are strong mechanisms in place for schools to collaborate and partnership working with the local authority was strong.
- Schools are working effectively and supporting children within Brent mainstream provision, and are working proactively to reduce the number of children and young people needing to go on a plan.
- There were concerns that central government was not providing LAs with the funding necessary, and the impacts of moving to a national funding formula

3.12 Officers outlined to the BSTG the three pronged plan to reduce the pressure:

- Managing demand
- Increasing provision
- Financial management

However, even with delivery of this plan, there would still be a deficit. There is a need to lobby central government heavily to address this budget pressure fully.

- 3.13 The Cabinet Member introduced the Children and Young People's department's finance paper. Officers drew the BSTG's attention to the collaborative work with partners – particularly schools and health. Officers outlined how the care elements of health and care plans are funded, and detailed the increasing volume and complexity coming through the family front door – with the complexity most significant. The BSTG heard evidence on the range of pressures, including increasing costs for schools, domestic abuse, county lines activity, unaccompanied asylum seeking children and an increase in neglect in some areas. The BSTG also heard evidence of success earlier intervention, for example speech and language needs. Brent is the sixth lowest funded CYP service in London, but it is not the sixth lowest in terms of need. Officers praised staff and their passion and commitment.
- 3.14 The department has been allocated £1.7m to fund the recovery initiative projects over two financial years that focus on supporting communities and reducing health inequalities. Funded interventions were on track to deliver, and included expansion of the school-based mental health support teams offer.
- 3.15 The savings for CYP over the next 2 years total £0.9m. All savings proposals were subject to a full Equalities Impact Assessment as part of the MTFS process in 2020/21. There is a risk of slippage due to the impact of the Covid19 pandemic, however, this will be offset by the Covid19 funding for 2021/22.

#### Community and Wellbeing financial summary

- 3.16 The BSTG also considered the finance report of the Community and Wellbeing department. Officers introduced the paper and outlined the savings proposals in place and on track for delivery. Risks and issues are not dissimilar to those already heard at the evidence session e.g. Covid19 implications and changes in funding.
- 3.17 The BSTG heard that Adult Social Care finances have been significantly impacted in 2020/21 by the Covid19 outbreak and the pandemic is likely to have a long-term impact on this service. As part of the 2021/22 budget setting process, additional growth was built into the Medium Term Financial Strategy to take into account Covid19 recovery and continuation of work to address health inequalities and mental health complexities.
- 3.18 The Community Wellbeing department has a £133.6m net budget for the 2021/22 financial year which comprises of a £165.3m expenditure budget and a £66m income target. Based on Quarter 2 financial forecast and assumptions around Covid19 implications, the Community Wellbeing department is forecasting a break-even position for 2021/22. The department's finances have been significantly impacted by the Covid19 outbreak in 2020/21. The 2021/22 budget has been set accordingly and takes into account that some pressures are expected to remain in this financial year.
- 3.19 The increased demand for mental health services is leading to a potential overspend. This is attributed to continuing effects of the prolonged pandemic on mental health. The BSTG heard evidence of the mitigation plans and activity in place to address this.
- 3.20 The department has been allocated £0.5m to fund the council's recovery initiative projects that focus on reducing health inequalities. Projects include activity to tackle childhood obesity, tooth decay and mental health support for families in emergency accommodation. All are on track to deliver.
- 3.21 A total of £3.7m savings were planned from the Community Wellbeing department budgets. This is in addition to the £2m saving that relates to the ongoing New Accommodation for Independent Living (NAIL) programme and was re-profiled from the 2020/21 financial year.



- 3.22 There is an anticipated £0.3m slippage against one of the savings that relates to the creation of the in-house reablement service as the launch of the in-house service has been pushed back to April 2022. This slippage is forecast to be mitigated within the existing Community Wellbeing budget and offset by a reduction in costs elsewhere.
- 3.23 The BSTG also heard evidence that:
- The Integrated Care System (ICS) covers health funding only, and the North West London ICS wants to move money towards places like Brent where needs are higher. The ICP is a local place based partnership, with the strategic director as co-chair. The budgets of partners are sovereign, but we have service pathways that ensure joint working e.g. hospital discharge. The ICP provides the opportunity to do more for the same or reduce costs by working across the system.
  - The budgets available for supporting people with mental health issues, including the mental wellbeing public health budget and a broad range of services across partners. Mental health and wellbeing is a priority for the ICP, including the mental health and wellbeing of children and young people.

### Health Inequalities

- 3.24 The BSTG also heard evidence on the work to tackle health inequalities. A specific area of focus was to understand the £700k from Department for Levelling Up, Housing and Communities (DLUHC) to tackle health inequalities and to engage local communities on the health inequalities agenda.
- 3.25 The BSTG heard evidence from officers on the allocations of the DLUHC funding, including community coordinators, supporting voluntary and community sector organisations to tackle health inequalities and the health educator workforce (provided by a VCS consortia). The BSTG heard how the public health budget will support the activity in 2022/23, allowing officers to fully evaluate success and make long term service and funding decisions as required. The BSTG also heard evidence of how the focus is on those experiencing the lowest health outcomes, and reducing the gap between highest and lowest outcomes (rather than a simple change in averages). The Brent Health Matters programme works closely with the Black Community Action Plan, with significant funding focused on reducing inequalities experience by black communities.

### Housing Revenue Account

- 3.26 The BSTG also considered a report on the Housing Revenue Account. The Cabinet member introduced the item, and described the overall picture - outlining historic underinvestment which caused challenges. Officers outlined to the BTSG spending on voids and repairs and how this is being approached.
- 3.27 The BSTG heard evidence on the Granville New Homes and that there were no budget implications as income will increase, and the council can borrow against the increased income. Evidence was heard about the costs of carbon neutral retrofitting across the stock – this was not currently contained within the business plan and officers are working regionally and nationally to lobby for government support. Officers also outlined the pilot being undertaken to understand retrofitting costs in high rise blocks.
- 3.28 The BSTG heard evidence on the impact of Covid19 on rent and service charge collections, and approaches taken by officers, including proactive working with those most vulnerable, supporting access to the Resident Support Fund and putting payment plans in place. The same rigorous monitoring is in place for collection across tenants and leaseholders. The BSTG heard evidence that these rent and service charge support options will remain in

place. The budget proposal for rent and service charge increases in 2022/23 are not expected to have an impact as officers will continue to mitigate risk by putting in place the appropriate support. The HRA business plan has taken the assumptions into consideration.

- 3.29 The BSTG heard evidence that adaptations work on a bespoke case by case basis, ensuring the right support is in place for the families who need it. The service budget has an HRA ring-fenced element. Demand is greater than supply and officers are looking general fund support options. Officers are working with residents to understand their experience of adaptations and outcomes and connections into social care and lower cost social care packages – with the aim of supporting the most vulnerable to stay in their own homes.
- 3.30 The BSTG heard evidence that these rent and service charge support options will remain in place. The budget proposal for rent and service charge increases in 2022/23 are not expected to have an impact as officers will continue to mitigate risk by putting in place the appropriate support. The HRA business plan has taken the assumptions into consideration.

### **Resources and Public Realm Session**

- 3.31 The resources and public realm evidence session was held on 23 November 2021.
- 3.32 During the evidence session, the BSTG considered the overall progress against the MTFs budget proposals for the relevant services, heard oral evidence, and questioned Cabinet Members, Strategic Directors and other departmental officers. The BSTG considered departmental budget pressures and the strategies for managing ongoing demand-led pressures. A number of papers were considered.
- 3.33 The BSTG heard evidence from the officer experience at the Brent Hubs, focused on key issues affecting hub service users and some of the programmes and support services we have in place. Brent Hubs aim to support those in most need, and who are most vulnerable, with a physical face to face partnership approach. The purpose is to provide the holistic support needed. Key observations included:
- Welfare payments, unemployment, debt, and housing concerns are common and frequent. These issues often present in combination, and they can be complex and complicated.
  - Tackling poverty work with food bank partners has been undertaken to develop a cash first approach.
  - Fuel poverty is becoming a big issue – officers are looking to provide emergency fuel and food vouchers.
  - The resident support fund has had a massive impact for residents and it has become an essential tool to enable us to support people affected by the pandemic and the downturn.
  - The hub services have been vital for those unable to access services in other ways, due to reasons including digital exclusion, language barriers, mental health issues etc.
  - Financial skills programmes have been developed with partners. The aim is to support service users so they can get themselves out of any financial difficulties they may be experiencing, and to build knowledge, skills and resilience.
  - There is a wide partnership offer in place, with many organisations from across the borough having a physical presence in the hubs. The BSTG noted that the support offer was bespoke, and based on need. Officers aim to deal with cases in their entirety in one visit, and it can take time to address needs.

- 3.34 The Deputy Leader provided overarching evidence to the BSTG on the MTFS, and outlined how the council was in year two of the two year budget agreed in 2021. It was noted the savings proposals are the same ones scrutinised in the 2021 BSTG report. The Deputy Leader also provided an introduction to the income and recovery reports to be scrutinised by the BSTG. It was noted the £17m recovery fund is allocated and in delivery. It was also noted that there are plans in place to maximise the income that Covid19 has impacted upon, and that the council is gradually building income so therefore assumptions are based on positive news, for example council tax payment rates. The Deputy Leader outlined that the council still awaits the Local Government Financial settlement (expected in December), but that we have taken a robust approach to deliver a balanced budget. The Deputy Leader highlighted this will become very challenging beyond 2022/23.
- 3.35 Officers highlighted the prudent financial decisions the council had taken previously and how this has support the current financial position, for example the council does not purchase assets to generate incomes. The BTSG heard that Covid19 pressures have been contained within the General Fund, and that the savings programmes are on track to be delivered.
- 3.36 The BSTG also heard evidence on income collection. It was noted that Covid19 has had an impact and continues to have an impact, and that assumptions have responded to this. There has been an upturn in arrears collection, although this is not equitable across business rates and council tax payees. The BSTG heard evidence on the difference between in year collection rates and long term collection rates, with the MTFS focused on the longer term collections.
- 3.37 The BSTG noted the very sobering situation ahead in future budget setting processes. It was noted that long term cuts in budgets were pitched against increasing needs and demands, as outlined in the evidence heard across sessions. The BSTG sought assurance on the sufficiency of the £17m recovery programme. Officers provided evidence on increasing pressures ahead, including increased costs, the Levelling Up agenda and workforce costs. The Leader outlined the support packages in place to ensure those most vulnerable are protected. It is also a priority for the council to pay London Living Wage across staff and contracts. It was noted there will be significant challenges moving forward that means we need to revisit what we do and how we do it. The importance of not using reserves to balance budgets in a routine manner was also noted.

#### Customer and Digital Services

- 3.38 The BSTG considered the finance report of the Customer and Digital Services department. The BSTG heard that based on current trends and assumptions around Covid19 implications, the Customer and Digital Services department is forecasting a break-even position for 2021/22. The department's finances have been significantly impacted by the Covid-19 outbreak in 2020/21. The budget has been set accordingly and takes into account that some pressures are expected to remain.
- 3.39 The BSTG noted that the department was on track to deliver the agreed savings, with key risks and uncertainties including potential costs relating to further lockdowns. Key savings included those in licensing for IT forms. The BSTG noted the transformation work programme was in delivery, and it supports the delivery of council priorities including initiatives which contribute to the delivery of efficiencies, savings and service improvements.

- 3.40 The BSTG heard that the department has been allocated £1.7m to fund recovery initiative projects that focus on supporting communities and local businesses, including digital packages and a grant scheme to support local businesses.
- 3.41 The BSTG heard evidence about activity undertaken to ensure all services are accessible to residents, particularly those affected by digital exclusion. The BSTG heard how this need has been addressed within the revised digital strategy, with plans to provide kit and training to residents and proactive partnership working to identify those experiencing digital exclusion. The BSTG also heard evidence on cyber security and upcoming reports to the Audit and Standards Committee and Cabinet.
- 3.42 The BSTG also heard evidence from officers on the council's ethical debt policy. The approach taken is bespoke, with empathy and understanding of circumstances, with responses designed accordingly. The Leader outlined how officers take a supportive approach as soon as people become at risk of falling behind – so that support is in place to stop people falling into debt and before debt recovery action is required. Officers do work to ensure debts are paid.

### Regeneration and Environment

- 3.43 Cabinet Members and officers introduced the financial summary report for the Regeneration and Environment department. The department has a target of £0.9m savings to be achieved in 2021/22. Of these, all are on track to be fully delivered or will have alternative savings found. The department leads on, or works in partnership on, £13million of recovery fund initiatives across revenue and capital. Most of the capital funding supports three priority projects (including Wembley High Road recovery and Church End). Revenue funded recovery projects are also on track to deliver within the required timescales.
- 3.45 The BSTG heard evidence on key risks and uncertainties for the department, including:
- A small percentage change can have a large monetary impact on the department's income, for example, a 1% reduction in income would be equivalent to around £0.5m. There is a current moratorium on landlord action for rent arrears until 25 March 2022.
  - The longer-term impact on income anticipated from planning applications and building control applications is uncertain due to slow progress on current major projects and a potential reduction in the number of new major projects received.
  - The highways revenue budget is reliant on TfL LIP (Local Implementation Plan) funding which has been significantly reduced due to severe financial pressures. TfL has recently reached an agreement with the Government and confirmed the funding will be available up to 11 December 2021. Further discussions are ongoing between the Government and TfL for funding for the last quarter of the financial year, and funding beyond this date remains uncertain. The BSTG heard evidence on how the council will approach a negative outcome on the TfL funding.
- 3.46 The BSTG heard evidence about the effectiveness in collecting Community Infrastructure Levy (CIL) and Section 106 payments. There are clear rules about how the monies can be used, but the department looks to support businesses and communities. The department also works to ensure the council realises the value of assets and brings in income, balanced against how we support the community and voluntary sector and business.

- 3.47 The Cabinet Member outlined key activities including increasing affordable workspaces, meanwhile uses, town centre managers, and industrial site support. The BSTG heard evidence that the aim was not simply put money in, but to create a climate that make people and businesses want to invest in the borough too, creating a buoyant economy for the long term.

#### Chief Executive's Department

- 3.48 The financial summaries of the Assistant Chief Executive, Director of Finance and Director of Human Resources, Legal and Audit and Investigation were introduced to the BSTG by Cabinet Members and officers. It was noted that all savings and recovery initiatives are on track for delivery.
- 3.49 The BSTG heard evidence on how key policy initiatives, for example the Black Community Action Plan, had supported positive outcomes for businesses and communities. The Deputy Leader outlined initiatives such as the Black Business Network and recovery funded projects to support Black led businesses, including a Black Kite Mark scheme. Officers outlined how NCIL had supported Black lead organisations to develop digital business approaches and an entrepreneurial education approach. These activities will support community wealth building and will enable economic independence. The Leader outlined that a circular economy approach s taken, empowering local businesses to diversify, access wider and bigger markets, and increase businesses on procurement lists.

#### Final evidence session

- 3.50 The final session met on 16 December 2021. The BSTG heard evidence from officers on the provisional local government financial settlement for 2022/23 announcement, which was made the just before the session. Key points included:
- It was broadly in line with the October 2021 Autumn Budget and Spending Review
  - Potential increases in spending power through new government grants to support key services (including a new one off Services Grant for 2022/23), although it is unlikely to cover the pressures identified throughout the BSTG process.
  - Further detail is required still on other key grants, for example the Public Health Grant
  - There was no timeframe given to the Fair Funding Review
  - The settlement was for one year, and does not support long term financial planning and sustainability.
  - There were concerns about the impact of the Levelling Up agenda and funding distribution
- Consultation will continue into January 2022, with the final settlement announcement expected in late January / early February 2022.
- 3.51 At this session, the BSTG then considered in detail and agreed the recommendations that would be made to Cabinet and Full Council, based on all of the evidence heard to date.

## Conclusion

- 4.1 Given the extremely challenging circumstances that local authorities are facing with regard to budget pressures and planning, the BSTG believes that this report underlines the importance of overview and scrutiny of the council's budget proposals and budget performance throughout the annual cycle.
- 4.2 Brent Council was already operating in a challenging financial environment prior to the outbreak of Covid19 – with 10 years of significant reductions in government funding where the council had been obliged to make an unprecedented £185m of savings, despite an increase in demand for council services. Evidence was heard in BSTG that complexity of demand had increased as a result of the pandemic. This should also be considered against Brent's population rise of approximately 25% during 2000-2018 – an additional 65,900 residents. Since 2010, the council has delivered expenditure reductions through a combination of effective financial management, cost control and innovative approaches to investment and demand management.
- 4.3 Prior to the outbreak of Covid19, the agreed 2020/21 budget forecast was for a balanced budget between 2020/21 and 2022/23, which should have meant that no new savings proposals would have needed to be developed to achieve a balanced budget.
- 4.4 The impact of the Covid19 pandemic has had a very significant effect on the council's budget, as well as a massive social and economic impact on local communities, particularly those in the greatest need of local authority and other statutory and voluntary and community sector support. The MTFS, agreed in February 2021, ensured a strategic approach to deliver a balanced budget, with a strong emphasis on planning the budgets for future years to enable sensible phasing of savings and minimising the impact on services to residents.
- 4.5 The BSTG continues to believe that the budget agreed in February 2021 for 2022/23 is designed to limit, as far as possible, service reductions and the impact on front line services. The BSTG, having reviewed the budget proposals, agrees that the budget proposals have balanced responsibilities and risk, and maintained a strong financial position for the council, while also providing a framework within which to deliver the Borough Plan. The BSTG also notes the tough financial environment ahead, and the difficulty of future decision making. The BSTG supports the budget, subject to the outcomes of final consultation, and submits the recommendations outlined in section two of this report to Cabinet and Full Council.

## Participants

The BTSG would like to thank the following councillors and members of staff who contributed to the report, took part in the evidence sessions or advised it on policy:

- Cllr Muhammed Butt – The Leader
- Carolyn Downs – Chief Executive
- Cllr Margaret McLennan – Cabinet Member for Resources and Deputy Leader
- Cllr Harbi Farah - Cabinet Member for Adult Social Care
- Cllr Promise Knight – Cabinet Member for Community Safety and Engagement
- Cllr Neil Nerva - Cabinet Member for Public Health, Culture and Leisure
- Cllr Mili Patel - Cabinet Member for Children's Services
- Cllr Krupa Sheth - Cabinet Member for Environment
- Cllr Tom Stephens – Cabinet Member for Schools, Employment and Skills
- Cllr Eleanor Southwood - Cabinet Member for Housing and Welfare Reform
- Cllr Shama Tatler - Cabinet Member for Regeneration, Property and Planning
- Peter Gadsden – Strategic Director Customer and Digital Services
- Alan Lunt – Strategic Director Regeneration and Environment
- Phil Porter – Strategic Director Community Wellbeing
- Gail Tolley – Strategic Director Children and Young People
- Shazia Hussain – Assistant Chief Executive
- Minesh Patel - Director of Finance
- Debra Norman - Director of Legal HR Audit and Investigations
- Ravinder Jassar – Deputy Director of Finance
- Lorna Hughes – Head of Strategy and Partnerships

The BTSG would also like to thank the following valued partners and stakeholders, who gave up their time to ensure a well-rounded and robust consideration of the 2022/23 budget proposals:

- Nouh Abuka, Connect Stars
- Julian Lloyd, Age UK Hillingdon, Harrow and Brent
- Rajesh Makwana, SUFRA North West London
- Christopher Murray, Young Brent Foundation
- Ann O'Neill, Brent Mencap
- Dr Mario Phillip, Brent Multi Faith Forum
- Kristine Wellington, CVS Brent
- Mr D Coyle, Newman Catholic College
- Ms J Jardine, Manor School
- Mr R Moss, Elsley Primary School
- Mo Jama, Head of Brent Hubs
- Peter Cosgrove, Head of Revenue and Debts

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