

Budget Scrutiny Task Group Findings Report

Scrutiny of the Draft Budget
Proposals for 2023/24

24 January 2023



Foreward

Austerity policies since 2010 have created financial insecurity for Brent residents. The Budget Scrutiny Task Group's role has been to assess the impact of the Council's draft budget proposals for 2023/24. This is in response to another year of significant cuts to local government funding. Despite this, the Council has put forward a Budget which recognises the reality of the lives of our residents. For instance, the Council choosing not to cut Home Care visits to 15 minutes, unlike many other boroughs; Investing in Council-owned temporary accommodation to improve housing standards for those who are homeless or threatened with homelessness; and keeping Brent's libraries open. There is no doubt though that the impact of 12 years of cumulative public sector and local authority cuts will continue to be felt by all residents in Brent. Residents deserve a budget driven by their needs, not austerity budgets driven by funding cuts.

I would like to thank our local stakeholders and community organisations who contributed to this report, and to the other members of the Task Group for their commitment and thoughtful challenges to the budget within a compressed timetable. The thanks of the Task Group also goes to the scrutiny officers for their support throughout the budget scrutiny process.

Councillor Rita Conneely

Chair – Resources and Public Realm Scrutiny Committee



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Members of the Budget Scrutiny Task Group

The Budget Scrutiny Task Group was a joint effort between the Council's two scrutiny committees, with equal representation from the Resources and Public Realm Committee and the Community and Wellbeing Committee. The Task Group comprised of the following representatives:

Councillor Rita Conneely – Chair

Councillor Ketan Sheth – Vice-Chair

Councillor Tom Miller

Councillor Hannah Matin

Councillor Jayanti Patel

Councillor Diane Collymore

Terms of Reference

The following terms of reference were agreed at the Resources and Public Realm Scrutiny Committee on 6 September 2022:

- To consider the Cabinet's budget proposals for 2023-24.
- To receive evidence from Cabinet Members, senior departmental officers, and any other relevant stakeholders to help inform and shape any comments and recommendations.
- To agree a draft report that comments on the budget proposals for submission to the Resources and Public Realm Scrutiny Committee for subsequent ratification and submission to Cabinet.

1. Introduction

Context

- 1.1. In July 2022, Brent Council agreed its revised Medium Term Financial Strategy (MTFS), outlining the financial framework for the financial years 2023/24 to 2024/2025. The programme developed through a combination of effective financial management, cost control, scenario modelling and more innovative approaches to investment and demand management, forecasted a two-year savings target of £28m of which £18m has been identified for the financial year 2023/24, and £12m for 2024/25. At the time the MTFS was agreed, it was noted that the Council was already operating in a significantly challenging financial environment having made £196m worth of cumulative cuts to its budget since 2010. The financial pressures have been exacerbated by unexpected factors such as the global implications from war in Ukraine, high levels of inflation and rising interest rates, presenting the Authority with an uncertain economic environment to navigate.
- 1.2. The Council published its Draft Budget for 2023/24 in November 2022, setting out a series of budget proposals totalling £18m. It is important to note that since the proposals have been published, the provisional Local Government Finance Settlement for 2023/24 was released on 21 December 2022. Overall, it is understood that the provisional settlement provides additional resources above the level forecast in the November Budget report. Whilst the settlement provided additional funding that was not forecast in the MTFS, additional pressures have emerged since the MTFS was last presented to members.
- 1.3. The final budget position of the Council will not be known until the final proposals are published for the Cabinet Meeting in February 2023. The Task Group have been assured that any additional monies from the Settlement will be used to fund new budget pressures that have been identified, such as pressures in Children's Social Care and rising energy costs. Additionally, this will enable the Council to spread a portion of the savings identified for financial year 2023/24 over the next two financial years to lessen the impacts of the proposals on our residents.
- 1.4. The Task Group's findings are therefore based on the assumptions set out as part of the Draft Budget 2023/24.
- 1.5. Additionally, the Draft Budget proposed to increase Council Tax by 2.99% (consisting of a 1.99% general increase plus 1% for the Adult Social Care Precept). Again it is important to note that since the proposals were published, the Chancellor's Autumn Statement has increased the maximum amount local authorities can raise Council Tax, from 2.99% to 4.99% (consisting of a 2.99% general increase plus 2% for the Adult Social Care Precept) without needing a referendum. The Council is currently considering this and are likely to adopt the new maximum increase, following the consultation that is currently underway.

Role of Task Group

- 1.6. Brent's decision-making framework gives a clear and important role to Overview and Scrutiny in its budget-setting. The process for developing proposals for the budget and capital programme is outlined in the Brent Council Constitution, Part 2, Standing Order 19. This requires that the Cabinet's budget proposals be considered by the Council's Resources and Public Realm Scrutiny Committee. After it has scrutinised the proposals, the Committee will then submit a note of its deliberations and comments on the proposals to the Cabinet.

- 1.7. The Resources and Public Realm Scrutiny Committee agreed to scrutinise the draft budget proposals for 2023/24 through a Budget Scrutiny Task Group. This was established at the committee meeting on 6 September 2022.¹
- 1.8. The panel held a series of meetings between October and December 2022 to prepare this report. This included closed meetings that discussed the Task Group's own findings, ideas, and recommendations, and evidence sessions with the Cabinet, Corporate Management Team, and our valued partners. We also presented questions and scrutinised the proposals in detail. The full list of participants is provided at the end of this report.
- 1.9. For the purposes outlined in the Constitution this report will be considered and agreed by the Resources and Public Realm Scrutiny Committee on Tuesday 24 January 2023. A report from the Committee will then be presented to Cabinet for consideration in February 2023, alongside the report from the Corporate Director of Finance and Resources on the final budget proposals for 2023/24.
- 1.10. The Task Group seeks to act as a 'critical friend'. Therefore, it is hoped this report will spark constructive debate on the proposals, and more widely on how Brent sets its budget in alignment with the democratically agreed strategic priorities of the Council.
- 1.11. Residents, businesses, partners and communities need us more than ever as we all navigate the Cost of Living crisis. We can strive to provide support and continue to improve the way we deliver services by adopting a robust and creative budget built on income generation and investing in our voluntary and community sector that prioritises protecting our most vulnerable residents.
- 1.12. This report summarises our investigations and conclusions. We would welcome the Cabinet's decision to take our recommendations on the proposed budget for 2023/24 forward.

2. Recommendations

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

Recommendation 1- Borough Plan 2023-27 Alignment

It is important that the proposed budget properly aligns with the strategic priorities identified in the upcoming Borough Plan 2023-27. The Task Group are concerned that the draft budget omits solid proposals to deliver on our strategic priorities around our climate commitments, including our goal to become Carbon Net Zero by 2030. There is a real opportunity for the Council to clearly communicate the relationship between its strategic priorities and budget proposals to residents, local councillors, and partners. The Council should strive to publish both the Budget and Borough Plan at the same time but the Task Group has noted that this has been challenging on this occasion due to time restraints and budget uncertainties. **The Task Group recommend that the Council more clearly demonstrates how public money is being spent in line with the democratically agreed strategic priorities for the borough.**

Recommendation 2 – Proposal Categorisations

The Task Group are concerned with how the draft budget proposals were being presented to residents. It was noted that using language such as 'savings' in past budget setting processes may have been acceptable; however, on this occasion this is not applicable due to the great amount that needs to be cut from the budget moving forward. Given that the Council has to continue to deliver savings over the next two years to balance the budget, there is a greater need for resident's expectations to be managed correctly and honestly to ensure that they are prepared for the difficult changes to important services. **The Task Group recommend that each budget proposal is categorised as one of: Cut; Income generation;**

¹ <https://democracy.brent.gov.uk/documents/s124625/06.%20Establishment%20of%20Budget%20Task%20Group.pdf>

Service transformation; Efficiency; or Investment for transparency purposes. This language should also be used in Council communications in order for residents to distinguish between the proposals which are cuts/service reductions, those which are investments, and those which are efficiencies/service transformation.

Recommendation 3 – Income Generation

The Task Group welcome and are encouraged by the Council's efforts to identify options for income generation. We would encourage officers to continue being innovative in identifying further opportunities for income generation to offset the impact that many of the proposals will have on vital council services. Specifically, around increasing parking fees/charges and generating income from our assets, such as parks. With regards to the former, we note the Chief Executive's comments around ensuring that if we are able to increase parking fees/charges, that the messaging to residents would have to be very clear in specifying that any charges recouped from parking fees would be reinvested in highways infrastructure as is legally required. However, any fee/charge increases must adopt a balanced approach that accounts for the impact of the Cost of Living crisis on different communities. We would also like to stress that utilising our parks to generate income could assist us in our legacy work as 'Borough of Culture 2020'. **The Task Group recommend that the Council:**

- **Increase parking fees/charges to a more comparable rate charged by surrounding boroughs to secure safe movement of traffic and adequate parking and;**
- **Utilise our parks to generate additional income – as part of this process, the Council should draw comparisons with other local authorities to learn from good practice.**

Recommendation 4 – Additional Financial Support for Residents

The Task Group note the Chancellor's Autumn Statement, which gives provision for local authorities to raise Council Tax by a maximum of 4.99% without a referendum. We appreciate the Council is likely to have no other viable options but to raise Council Tax by this amount to navigate the current financial challenges. However, Council Tax is a regressive tax; should this increase happen, the Task Group is concerned that this may cause greater hardship to those residents who currently do not qualify for relief under the Council Tax Support Scheme or Resident Support Fund. Additionally, the Task Group are concerned that in response to tax increases, along with rising energy costs and unaffordable rents, it is frequently only food which is left for residents and families to sacrifice. **The Task Group therefore recommend that the Council:**

- **Increases funding and reviews the eligibility criteria for both the Council Tax Support scheme and the Resident Support Fund, should the financial modelling process allow and;**
- **Explores options to provide additional support to children to tackle food poverty, such as extending universal free school meals provision.**

Recommendation 5 – Additional Advice & Support for our Voluntary Sector partners

It is clear that our voluntary sector partners are also experiencing significant financial difficulty and, like the Council, have been subject to consistent budget reductions over the last 10 years. The voluntary sector provide vital support for many residents and act as a safety net for the Council by going above and beyond to offer services that are beyond their traditional remit (e.g. food aid). The Task Group are satisfied that the Council is doing the best it can to protect the voluntary sector and frontline services in its proposed budget. However, it is likely that in the future funding to the voluntary sector could be scaled back. It is important we provide the voluntary sector with its own safety net. **To assist in building voluntary sector resilience, the Task Group recommend that the Council develops:**

- **An approach to increase the value of the commissioned contracts offered to the VCS to help them navigate the current volatile economic environment. The Council could also use this as an opportunity to tighten and improve its contract monitoring process to ensure further robustness and transparency in achieving outcomes.**
- **A collaborative strategy with the VCS to enable these organisations to identify and secure new income streams. This should also include scope for increased opportunities to make joint bids for grant funding.**

- **A transparent policy for distributing Council community assets to our voluntary partners in need of space. Specifically, offering capped peppercorn rents to the sector to expand their operations.**

Recommendation 6 – Equal Access for All Residents

The Task Group understands the importance of the Council taking advantage of the opportunities/benefits associated with digital transformation, especially when taking into consideration the possible savings and efficiencies they can provide. However, we are still mindful that not all automated services are fit for purpose nor accessible to all residents (e.g. those who are digitally excluded, those with disabilities etc.) **The Task Group recommend that:**

- **The proposed automated services (e.g. chat bots) are tested by residents ahead of implementation, especially by those who have accessibility needs to ensure that all residents have equal access to services and;**
- **Additional advice and support is provided to disabled residents and those cohorts of residents with other access needs (e.g. literacy needs/English not a first language etc.) to navigate digital-form filling so they can maximise the benefits/grants they are eligible for and entitled to.**

Recommendation 7 – Improving Equality Impact Assessments (EIAs)

The Task Group noted that the Council has undertaken individual equality impact assessments (EIA) on each proposal, but improvements could be made to the current process to ensure greater transparency so EIAs are not seen as a ‘tick box’ exercise. **The Task Group recommend that the Council:**

- **Include an evidence base/rationale section in the EIA for each proposal where it has been deemed that there are no potential or likely impact on service users and employees with protected characteristics (e.g. how the Council arrived at such decisions) and;**
- **Undertake a cumulative equality impact assessment of the budget decisions since 2018 to understand fully the medium and long-term impacts of its financial decisions. It is recommended a cumulative EqIA is completed during financial year 2023/24 and is included in the final budget report 2024/25.**

Recommendation 8- Increased Collaboration

The Task Group is not clear on how health partners will be involved in the decision-making around in agreeing step down plans into general needs accommodation (proposal AH05). This partnership is vital to ensure our most vulnerable residents have the appropriate support in place at the right time, especially considering the difficulties in recruiting and retaining high quality staff. More generally this proposal raises interest from the Task Group regarding how we can work better with the NHS and other stakeholders around hospital discharges e.g. how we collectively mitigate the risks around discharge, and how we leverage contributions from partners/agencies in providing high quality social care and support. At present we have concerns that the rising costs in Adult Social Care cannot be met by the Council alone, where there is a need for clarity on the NHS funding responsibilities. **To ensure a holistic approach to residents’ care, specifically ‘those with complex needs’, the Task Group recommend that:**

- **A collaborative mechanism is established between the Council, NHS, and other relevant stakeholders to agree discharges/step down plans. If possible, this should be considered as part of the review process currently taking place with Central and North West London NHS Foundation Trust (CNWL) in the Integrated Care Partnership and;**
- **The Council leverage sufficient financial contributions from the NHS (and other relevant anchor institutions) to improve the Health & Social Care function in Brent.**

Recommendation 9 – Lobbying

We note that many of the challenges in the draft budget proposals are reliant on the powers and funding from central government to be resolved. **The Task Group therefore recommend that the Council works closely with neighbouring local authorities, London Councils, and the Local Government Association (LGA) to seek:**

- **Additional funding in the Dedicated Schools Grant (DSG), notably the High Needs Block of the DSG which is currently in deficit. Although the Task Group is pleased with the activity**

undertaken to manage the deficit and despite the fact that the Council will see increased funding from central government, there is still a need for additional financial support to meet rising demand.

- Powers to levy proportionate charges on parked motorcycles/mopeds. If successful, this would enable the Council to expand the parking permit system in the borough to include other forms of vehicles.
- Local Government funding reform, including reform of regressive taxes such as Council Tax.
- Changes to gambling legislation and regulations that enable local authorities to generate additional income from gambling licensing fees. This money could then be used to reinvest in vital Council services.
- The introduction of 'Short Term Letting' legislation that will allow local authorities to establish licensing schemes for 'Air B&B' accommodation in their respective boroughs. This would enable the Council to generate additional income from 'Air B&B' businesses in Brent that could then be reinvested back into services for the benefit of residents.

Recommendation 10- Phased Reduction to Care Packages Provision

In relation to proposal CYP03, the Task Group note that the Children and Young People department has identified discrepancies between care packages and the need for clarity and consistency in regards to the eligibility criteria and presenting needs when determining the level of support to be provided. The Task Group supports the review of care packages and better aligning resources to the evidenced needs of children; however we still have concerns about the impact this proposal could have on disabled children in the borough as a whole if the cut to overall provision is made over one financial year. **The Task Group recommend that a proportion of the additional funding from the Local Government Finance Settlement is used to enable the Council to defer a proportion of the savings in this proposal to financial year 24/25. This is to ensure changes in provision are implemented in a phased way.**

Recommendation 11- Review Areas of Focus for Town Centre Management Function

The Task Group believe the current town centre management infrastructure has made great strides in revitalising our town centres and supporting our businesses. This has been essential post-covid and in the current economic climate. We felt assured that proposal CR05 would not impact service delivery, however we believe this proposal presents an opportunity for the Council to rethink its town centre management structure to ensure more effective focus on economically deprived areas. **The Task Group recommend reviewing the areas of focus for the town centre management function, whereby resource can be balanced against need; and work duplication prevented.**

Recommendation 12 – Mitigating the impact of reducing the library stock budget

Although proposal RS08 is likely to have a small impact in the context of the collective budget proposals, the Task Group has concerns with the potential impact that this specific proposal could have on Brent's most vulnerable residents, and in particular children. **The Task Group recommend that the Council explores external options to leverage additional resources for our most vulnerable residents, such as the promotion of schemes (e.g. Letterbox Club run by BookTrust) offering free books to vulnerable and disadvantaged children. This could help offset the impact of the proposal on disadvantaged residents and children; and could assist with ensuring children in Brent have equal access to a broad range of reading material.**

Recommendation 13 – Mitigating the impact of reducing the Corporate Learning and Training budget

The Task Group recommend that the Council be guided by staff satisfaction surveys when deciding what training courses to discontinue as part of the reduction to the Corporate Learning and Training budget (GOV03).

3. Evidence Sessions

- 3.1. The Budget Scrutiny Task Group held a series of evidence sessions with Cabinet Members, the Corporate Management Team, and partners to review the suitability of the 2023/24 budget proposals and to inform its recommendations.
- 3.2. As part of this process, council officers provided the following reports for consideration:
- [Q2 Financial Report 2022/23](#)
 - [Medium Term Financial Strategy \(MTFS\)](#)
 - [Draft Budget 2023/24](#) (inclusive of the revised MTFS, budget assumptions, scenario modelling, and draft budget proposals)

Work Planning Sessions

- 3.3. The work planning meetings were held on 25 October and 31 October 2022.
- 3.4. Key witnesses included the Deputy Leader, the Corporate Director of Finance & Resources, and the Deputy Director of Finance.
- 3.5. At the initial session the Task Group heard from the Deputy Leader and senior finance officers on the Council's latest overall financial position, the Medium Term Financial Outlook, the Council's financial pressures/mitigations, emerging budget assumptions and its budget setting strategy for 2023/24 (Q2 Financial Report and Medium Term Financial Outlook).
- 3.6. During work planning, Task Group members discussed and agreed the approach to be taken to scrutinise the Draft Budget 2023/24. This consisted of:
- A focus group with key voluntary and community sector partners to analyse the budget proposals and temperature check the impact and assumptions that sit behind them.
 - An evidence session to review the updated Medium Term Financial Outlook, proposed consultation/engagement plan and the budget proposals put forward for the following directorates: Children and Young People, Communities & Regeneration, Governance, and Finance & Resources.
 - An evidence session on the remaining proposals for Adult Social Care & Health and Residents Services
 - A final evidence session to hear any additional evidence and to agree the draft recommendations and conclusions
- 3.7. There were a number of specific areas that the Task Group agreed to review in depth, specifically:
- **Brent Council's overall financial position**
 - Brent Council's **MTFS**, and the proposed budget setting strategy for 2023/24 (including budget assumptions).
 - Draft Budget 2023/24 consultation
 - **The impact of the COVID19** on Brent Council's budget pressures and performance
 - **The impact of the Cost of Living Crisis** on Brent Council's budget pressures and performance.
 - **The impact of inflation** on Brent Council's budget pressures and performance
 - The Council's key departmental **overspends and underspends**
 - The main areas for expenditure pressure by department and spending assumptions in the Budget for 2023/24.
 - The profile of Budget risks for 2022/2023 and 2023/24
 - **The impact of budget proposals 2023/24** on service delivery
 - The main **income** streams for 2022/2023; including income generation strategy and targets.
 - The **Capital Budget** of the Council

- The Council's **Housing Revenue Account**
- The level of **reserves** for 2022-23 and projected for 2023-24

3.8. The Cabinet, Corporate Management Team and Statutory Scrutiny Officer were sighted on the scope and content of the budget scrutiny project plan.

Evidence Session 1

3.9. Evidence session 1 was held on 17 November 2022.

3.10. Key attendees included the Deputy Leader, the Cabinet Members for Community Engagement, Equalities, and Culture; Children, Young People, and Schools; Regeneration and Planning, Jobs, Economy & Citizen Experience; the Chief Executive, and the Corporate Director for Finance & Resources.

3.11. The session focused on several topics including:

- The Council's renewed MTFs
- Updated income and expenditure budget assumptions
- Risk, issues and uncertainties faced by the Council e.g. Cost of Living Crisis and rising inflation etc.
- Reserves strategy

3.12. The Task Group undertook a deep dive exercise into the draft budget proposals for the directorates below:

- Children & Young People
- Communities & Regeneration
- Governance
- Finance & Resources

3.13. The exercise entailed interrogating the impact of these proposals on residents, analysing the accuracy of the relevant equality impact assessments and discussing whether the proposals were realistic.

Budget-setting process:

3.14. The Task Group noted the challenging financial situation and uncertainty that the Council face in its budget setting process. The biggest impact on the Council's budget for next year will be inflation, which officers predicted will be at its highest this and next year. The Corporate Director of Finance and Resources stressed the challenge of identifying savings of £18m in the next year and achieving the savings target of £28m for the next 2 years, due to factors such as demographic changes in Brent, likely cost of inflation and changes in income streams e.g. grants or funding from central government, Council Tax, Business Rates etc.

3.15. The Deputy Leader and officers stressed that the assumptions made in the Draft Budget 2023/24 reports are based on the information currently available to the Council, which would be reviewed following details on the final Local Government Finance Settlement.

3.16. The budget gap between 2023/24 and 2024/25, estimated at £28m, was a central case based on current budget assumptions and scenario modelling. The accuracy of this is at best +/- 20%, and wider variations are entirely plausible. Due to volatility in the economic environment the Task Group agree with the Council going with a central case – officers stressed the importance of guarding against being overly pessimistic or overly optimistic to ensure we do not implement decisions (e.g. service/staff cuts) that are later determined unnecessary.

- 3.17. Due to the uncertainty in the economic environment, it was noted that the Council had diverted from customary practice and planned to set a one-year budget on this occasion to allow for agility in the budget setting process. The Task Group were assured that the budget would be kept under review with assumptions being updated as and when needed.
- 3.18. Officers stressed that the budget proposals for 2023/24 are mainly focused on transformation and staff restructures to protect frontline services. However, being creative and focusing savings in this manner is becoming increasingly difficult, particularly when considering the cuts the Council have experienced over the last 10 years.
- 3.19. Officers described two main areas for growth in the budget, which are in Adult Social Care & Health (ASC), and Children & Young People. The growth mainly relates to the rising costs of placements and the increasing demand for services, which is one of the main contributors for the £28m budget gap.

Alignment with Borough Plan:

- 3.20. The Task Group shared the concerns it had around how the budget aligns with our strategic priorities and whether the budget is resourced enough to achieve our strategic ambitions. The Task Group called for clearer alignment and synergy; for example, more commitment in the budget to climate action considering it is a strategic objective for the Council to achieve Net Zero by 2030.

Core Assumptions:

- 3.21. The Task Group presented questions on the assumptions made throughout the budget and asked how confident the Council are in achieving these proposals. Officers stressed that these are based on 'educated' estimates, based on the latest information available, scenario modelling and sensitivity analysis. For example, determining population growth based on assumptions using the planning information around housing constructions in Brent over the next few years. Nonetheless, officers' assumptions are established based on worst case, best case, and central case - we normally go with the latter. Inflation predictions are developed using information from Bank of England and the Office for National Statistics.

Proposed Council Tax Increase:

- 3.22. The Task Group raised concerns with the potential impact that increasing Council Tax by 2.99% could have on residents and what we are doing to mitigate the impact of this on residents experiencing financial hardship. It is important to note the Autumn Statement was published on the day of Evidence Session 1. This statement confirmed that local authorities are now able to raise its Council Tax by 4.99% without a referendum, however this increase would exacerbate the Task Group's concerns.
- 3.23. The Task Group acknowledged that if the Council does not increase Council Tax by the maximum 4.99% it would forgo additional income of £2.8m. If the Council adopts this increase, schemes such as the Council Tax Reduction Scheme and Residents Support Fund should be increased and the eligibility should be reviewed. The Task Group also stressed the importance of the Council communicating to residents where any additional income from any Council Tax rises would be invested.

Minimum Revenue Provision (MRP):

- 3.24. The Task Group asked questions around our position in relation to borrowing, and our approach to Minimum Revenue Provision (MRP). The Task Group were assured that the provision remains prudent and compliant with the statutory guidance for MRP. The Corporate Director for Finance and Resources stressed the importance of the Council setting sufficient MRP and not borrowing without a robust strategy for paying monies owed back.

Reserves Strategy:

- 3.25. Officers discussed the reserves strategy we have in place, the various reserves that exist and what they can be used for e.g. if they ringfenced or earmarked for certain activity. Reserves should never

be used to balance a budget; this is due to their one-off nature, therefore they should only be used in line with the key principles outlined in our reserves strategy:

- The balance on the general reserve will be reviewed as part of the budget setting process
- Earmarked Reserves will only be established to meet a defined purpose
- Reserves should only be used to fund one off items as they can only be used once

3.26. The Task Group were satisfied that the Council had a robust process in place for managing reserves.

Consultation/Engagement Activity:

3.27. Officers outlined consultation/engagement activities which had taken place/were planned, including plans to engage with younger residents, businesses and the voluntary sector.

3.28. The Task Group sought assurances around how trade unions will be engaged, in addition to engaging businesses. The Cabinet Member Community Engagement, Equalities, and Culture acknowledged this and invited any further input on how to improve/widen consultation efforts.

Children & Young People

3.29. A total of £2.4m savings are proposed in the Children and Young People Directorate for 2023/24 – the proposals are designed to protect the delivery of our statutory duties and should also be viewed in the context of 10 years of financial pressures. The Task Group explored the practicality of the budget proposals, including the impact they would have on residents/service users and how the risks would be mitigated.

3.30. The Task Group discussed the £1.7m overspend projected in the Q2 Financial Report 2023/24 and how the risks were being managed. This was driven by 3 factors:

- (1) Placement costs
- (2) Agency spend for Social Workers
- (3) Number and cost of care packages for disabled children and young people

3.31. The risks of these financial pressures will, in part, be mitigated by the growth allocated to the budget in 2023/24. Additionally, an active bid was made to the Department for Education (DfE) to build our own children's home. Should this be successful, this will assist the Council in managing future pressures.

High Needs Block of the Dedicated Service Grant (DSG):

3.32. The High Needs Block of the DSG will be increased by 5% (£3.5m) in 2023/24 following the July announcement, however financial pressures for the Council still remain with a deficit of approximately £17m. This is due to increased demand for Education Health and Care Plans (EHCPs), which is a national issue. This also presents ongoing financial pressures for our schools. The Task Group heard that the Council is a part of the DfE programme to try and find ways of reducing the pressure on the High Needs Block and have a Deficit Recovery Management Plan in place.

3.33. Separately, it was announced that an additional £2.3b funding from central government was announced for schools to support the running of schools which in real terms is an increase for schools. In light of the Autumn Statement funding announcement, the High Needs Block allocation will increase by an additional 5% equating to an overall 10% (£7m) increase in 2023/24. This increase will still not be sufficient to mitigate the demand pressures and recover the deficit as the additional funding is also expected to contribute towards inflationary increases for special schools and pupil referral units (PRUs).

3.34. The Deficit Recovery Management Plan consists of three themes:

- Reducing costs through **managing demand** for EHCPs.
- **Improving sufficiency of local places** thereby reducing the number of children being placed out of borough or in independent special schools that cost more than local places. The Council has made a capital investment of £44m to deliver additional SEND places in the borough.

- **Financial management** to identify areas of efficiencies.

Early Help:

- 3.35. Difficult decisions will need be made in non-statutory areas such as Early Help which, in the most acute cases, could result in more children going into care. The Task Group were satisfied that there were no plans to reduce key workers and workers in Early Help. The types of posts that are likely to be affected by proposed staff reductions will be deleted as they become vacant and are those that provide additional services such as parenting support within Children's Family Wellbeing Centres.
- 3.36. It was also acknowledged that unlike other local authorities, Brent has developed Family Wellbeing Centres to provide early intervention support across a wider age range for children. The Secretary of State has visited Brent, and has now started to recommend all Councils open Family Wellbeing Centres (referred to as 'Family Hubs') because it is a good way to streamline services, and that those services are required and so on.
- 3.37. It was also noted that the funding settlement for the Supporting Families Programme has been agreed for the next two financial years. Grant income from this programme can be used to off-set some of the Early Help reductions the Council plan to make. The Corporate Director for Children and Young People also mentioned we had been successful in bidding for the Best Start for Life Programme through the DfE, which is a programme that bring us about £4m worth of income over three years.
- 3.38. The Task Group asked whether the Council will be looking to increase the eligibility thresholds for people accessing Early Help support, however revised national guides for partners do not propose any change.

Reduction in the use of Agency Staff:

- 3.39. The Task Group questioned the intention to reduce agency staff in a climate where there are challenges in recruiting permanent staff. This issue was echoed by officers where it was highlighted there are specific challenges in areas such as children protection and social work provision.
- 3.40. The Cabinet Member highlighted that reviewing the use of our agency staff could save the Council more money to reinvest in services. Concurrently, the Council are trying to offer more substantial incentives to permanent social workers that reduces costs and provides greater stability for service users. The Task Group appreciated and supports the Council's ambitions to recruit more permanent staff but were not as confident in the proposals to reduce agency staff due to the recruitment challenges that exist nationally. The group retain concerns about the achievability of this proposal.

Deletion of Vacant Posts:

- 3.41. The removal of vacant posts across the directorate will leave social workers with manageable caseloads and will not impact service delivery.
- 3.42. The rationale behind not recruiting to a vacant post in the Youth Offending Team was linked to national reductions in first time entrants to the criminal justice system and stabilised rates for repeat offending. Providing this remains the case, this specific proposal is realistic and manageable.

Reducing the Supporting Young People Contract, ('Connexions'):

- 3.43. The Task Group were assured that the reduction of £80k would be offset by grants the department receive elsewhere

Digital Transformation Savings

- 3.44. The Task Group raised accessibility/equal access concerns about the proposal relating to additional digital savings via the Digital Transformation Programme. To mitigate this the Council will maintain key worker contact for those families who are unable to use automated systems or chatbots. It was noted that there was evidence to support this; for example, school admissions where some families are struggling with the online process.

Communities & Regeneration

3.45. A total of £612k savings are proposed in the Communities and Regeneration Directorate for 2023/24.

Planning Service Staff Reduction:

3.46. It was stressed that the reductions to the planning service equates to not recruiting to vacant posts, meaning that no impact to service delivery is anticipated. However, the biggest risk in the proposals is the length of time to review planning applications and officer caseloads. Additionally, notable pressures for the Planning department are inflation, increased construction costs, and rising interest rates, deterring developers coming forward to build in the borough. Some of these factors have also impacted our own housing programme.

3.47. Despite this, the need to continue to build council housing was highlighted, although we will have to start thinking about tenure as it is no longer financially viable to build solely social housing. This is a concern of the Task Group in terms of impacting our ability to increase Council housing stock and offering truly 'affordable housing'. The Chief Executive appreciated this but acknowledged its either we think about mixed tenure to deliver some affordable housing or build none at all. The Task Group stressed that we need all tenures to be affordable, even if this is private housing. Whatever model the Council decides to use it must ensure it is in a strong negotiation position with possible contractors.

Reduction in Town Centre Managers:

3.48. The Task Group raised concerns with the proposal to reduce town centre managers, and whether this would have an impact on service output. The importance of these posts post-Covid in supporting deprived areas of Brent with economic recovery was emphasised. However, the post proposed for deletion is already vacant and there will be no compulsory redundancies – the work across town centres has been redistributed to the three current Town Centre managers. It was questioned whether this proposal warrants a new approach to town centre management e.g. a centralised function to distribute resource according to need.

Reduction in number of Communications Account Managers:

3.49. Additionally, there were concerns raised about reducing the Communications Team from five to three given it has been identified that there is room for improvement in Brent communications and consultations. It was clarified that this £100k saving will consider all communication posts in the Council rather than just from the Communication Team that sits in Communities & Regeneration. The aim of this proposal will be to streamline the service rather than impacting delivery.

Governance

3.50. A total of £475k savings are proposed in the Governance Directorate for 2023/24.

'Miscellaneous Expenses Reduction':

3.51. The Task Group questioned what the 'Miscellaneous Expenses Reduction' meant in practice. The Corporate Director for Governance explained that this proposal is already in place and has little impact on service delivery as the Council has been spending less on the DX (documents exchange - private postal service). Since the pandemic the courts have made technological changes, allowing for electronic bundling of court documents, and there is also now the ability to sign contract and similar documentation electronically via DocuSign.

Reductions in Corporate Learning and Development Budget:

3.52. Questions were raised on reducing the Corporate Learning and Development training package, and assurances were given that this would not impact department specific training packages. The task group suggested that staff satisfaction surveys inform this reduction.

Reduction in Legal Fee Budget:

3.53. The Task Group questioned the practicality of the proposal to reduce the Legal Fee Budget. The Corporate Director advised that this proposal partly reflects the fact that we have been conducting more in-house advocacy and have been recruiting to advocacy posts which is cheaper than paying for external barristers. The Legal Fees Budget is around Counsel's advice and representation and

court fees; the more we can do complex advocacy ourselves, and the more knowledgeable and skilled staff we have, the less we need to spend to instruct Counsel and this reduction reflects what in practise has been happening.

Finance & Resources

3.54. A total of £1.8m savings are proposed in the Finance & Resources Directorate for 2023/24.

Capital Programme:

3.55. It was noted by the Corporate Director for Finance and Resources that undertaking Capital Programmes is still problematic for the Council; we still have an issue where we have to go out to tender for any Capital Programme, for example housing, and the cost of this has gone up by 20-30%. Interest rates have also gone up so when we are borrowing money for Capital Programmes these costs also go up, which we will have to finance through the General Funds. So again, budget reductions will be required to off-set those additional costs.

Civic Centre Office Let:

3.56. The Task Group questioned the proposal to let more space in the Civic Centre given that most workplaces are catering more for home working and that many organisations are moving further to the outskirts of London. The Corporate Director for Finance & Resources advised that we are trying to rent more space to public sector organisations rather than private organisations as they require more consistent office presence from staff. Additionally, an asset review is taking place to determine other income streams, with findings being reported to the Resources and Public Realm Committee at a later date.

Income Generation:

3.57. The Task Group were concerned if the Council has explored enough ways to generate new income streams, specifically in relation to increasing fees and charges e.g. increased car parking charges. Officers welcomed any Task Group suggestions.

3.58. The Corporate Director for Finance and Resources cautioned around the challenges of price elasticity of demand i.e. the striking balance of increasing charges and the impact on service use. The Task Group proposed introducing parking charges for motorcycles and explored whether we should charge more for the various licenses we issue e.g. alcohol licenses, gambling licenses, Air B&B licenses etc.

Stakeholder Q&A session

3.59. This session was held on 29 November 2022 and attended by colleagues from the voluntary, community, and business sectors (a full list of external witnesses who contributed to this report is outlined in section 5 of this report). The Deputy Leader and the Corporate Director for Finance and Resources were also present.

3.60. The Task Group sought to understand stakeholder views on the proposals; their experiences, pressures and priorities, and where they believe Council investment should be targeted moving forward.

3.61. Areas of particular focus included:

- **Budget Suitability** – reviewing the accuracy of the equality impact assessments for each budget proposal and the assumptions that sat behind them.
- **Front-facing roles** – ensuring that we do not cut any front facing roles, especially in areas such as Housing which has seen in recent years rough sleeping in Brent dramatically increase.
- **Budget Narrative** –being more clear in the narrative of the budget how the proposals will impact residents; and what our vision/priorities are for the borough so residents can provide meaningful consultation feedback in line with our strategic priorities.
- **Working relationship with the VCS** – improving our communications around the proposed changes with our VCS sector so they are equipped to explain changes to service users and can adapt their own service offer as appropriate

- **Accessible communications and engagement plans** – improving our standard of accessibility of communications for our disabled residents in communicating the proposals
- **Targeted engagement with residents/service users** – e.g. the need to carry out more targeted engagement than planned, especially on the ASC & Health and Children and Young People proposals which will disproportionately affect young people and those with disabilities/learning needs
- **‘You Said, We Did’** - ensuring that feedback is provided to residents on what action the Council is taking as a result of their budget consultation/engagement responses
- **Digital Transformation** – e.g. ensuring that those with accessibility needs are catered to deal with new digital requirements in form-filling; and the process not being obstructive to residents in accessing extra funds/entitlements during a time of financial struggle.

3.62. Our stakeholders’ priorities for Council investment included:

- More affordable and suitable permanent housing (although the group welcomed the proposed investment in Temporary Accommodation)
- Additional financial support for residents who historically wouldn’t qualify for support but who are now in poverty as a result of the current economic climate e.g. children who are in poverty but cannot access free school meals
- Additional support for the VCS sector to deal with the increased demand in services. This could be additional financial support or providing more community assets/capped peppercorn rents to the sector to expand their operations. Another option would be to increase the value of the commissioned contracts offered to the VCS to help them navigate the current volatile economic environment.
- Targeted jobs and employment support in the most economically deprived areas in the borough (e.g. St Raphael’s Estate)
- Targeted jobs, employment, and apprenticeship support for our most vulnerable residents e.g. those with disabilities
- Additional advice and support for disabled residents and those with other access needs (e.g. poor literacy/English not as a first language etc.) to navigate digital-form filling so they can maximise the income they are eligible for and entitled to

Evidence Session 2

3.63. Evidence Session 2 was held on 1 December 2022; the Task Group reviewed the remaining budget proposals for ASC & Health; and Residents Services; and the possible impacts on service delivery.

3.64. Key attendees included the Cabinet Member for Public Health and Adult Social Care; the Cabinet Member for Environment; the Cabinet Member for Housing, Homelessness & Renters’ Security; the Corporate Director of ASC and Health; and Corporate Director for Resident Services.

Adult Social Care & Health

3.65. A total of £4.2m savings are proposed in the Adult Social Care & Health Directorate for 2023/24.

3.66. It was stressed that although all services remain Care Act compliant, provision over the last 10-12 years has been significantly stripped back to the minimum service which is solely focused on supporting and ensuring the safety of the most vulnerable.

3.67. Given the continued need to reduced provision the Task Group questioned at what point and how far services are from being unable to deliver on statutory responsibilities. The Corporate Director advised that this was uncertain, and that the Council will be able to provide more detail when central government announce Brent’s Local Finance Settlement.

- 3.68. The Task Group went onto question the assumptions made in the proposals, and how officers arrived at their decisions. The Corporate Director advised that it involved a collaborative process with colleagues looking at need across services, benchmarking our services with other local authorities, and identifying significant pressures in the directorate and how we mitigate these pressures. For example, reducing the use of agency staff and recruiting more permanent staff.
- 3.69. The group questioned how realistic it is for the department to deliver £4.2m of savings with minimal impact to residents' experience. The Corporate Director shared these concerns and stressed that all proposals have been RAG rated from high risk to secure. The higher the risk, the more mitigation that has been put in place if the proposal cannot be achieved.

Reduction in the use of Agency Staff:

- 3.70. The Task Group questioned the proposal to reduce agency staff and increase permanent staffing in a climate where there are recruitment and retention challenges. The Corporate Director for ASC and Health admitted that it is very challenging but noted that mitigations/plans have been put in place to achieve this saving. These mitigations include plans for international recruitment, and making permanent roles more attractive to prospective applicants. It was emphasised by the Corporate Director that higher levels of permanent staff are correlated with a higher quality service, where the department will remain focused on delivering this saving.

Promoting Independence in Adult Social Care:

- 3.71. The Task Group delved into the proposals that aimed to maximise independence for service users (particularly proposals AH01 and AH02). The Task group were concerned that these proposals were being led by a 'cuts agenda' rather than an 'independence agenda' and were concerned that this could lead to insufficient support being in place for service users. In response to these points, the Corporate Director offered the following responses:
1. With regards to learning disabilities placements, colleagues are very skilled and work closely with families to ensure steps to independence are put in place at the very right time.
 2. With regards to reducing resident placements, this is also a positive as we have less people going into residential care so the demand is not as high as it was before. The risks associated with this proposal will also be offset by the opening of Honey Pot Lane.
 3. With regards to the home care reduction, this proposal will focus on reducing double ups which is in line with service users wishes. They prefer one person coming into their home rather than two. It is also important to note that Care Act assessments are carried out by trained social workers to ensure the assessments are robust and accurate.
- 3.72. The Task group questioned how quality assurance of care will be achieved in the proposals aimed at 'maximising independence'. The Corporate Director stressed that individual assessments are carried out by qualified social workers/occupational therapists, and they are all checked and signed off by their line manager – a more senior and experienced practitioner. Also, this is supported by how we train and develop our staff through the Adult Social Care Skills Academy. Additionally, the department run audits on a quarterly basis to see what can be improved to those Care Plans. They also get feedback in from complaints and other partner organisations. The Council have a rigorous process, people are trained, their decisions are always checked and then we have sample checking and quality assurance checks.

Mental Health Placements:

- 3.73. The Task Group heard evidence that mental health referrals had increased and questioned the effectiveness of the proposals to refresh the review process for all MH service users with a view to putting in place step down plans into general needs accommodation. Concerns were raised that step down plans could be put in place at the wrong time. Officers assured the Task Group that the process of doing so was a collaborative process with CNWL who provided secondary mental health services, and talked us through the recovery pathway. In this approach, it is recognised that mental health relapses do happen where it is vital to ensure the right support is in place at the right time. The group felt the commitment to recovery is admirable, but this is best achieved with sufficient support in place, including tenancy management support.

- 3.74. The Corporate Director for ASC and Health went onto explain that the department focused on all issues relating to Mental Health. It is a priority for all of our Partners in Brent, and we have the backing from CNWL, our providers and the voluntary and community sector and now we have got Clinical Leads across a number of services so it is all completely integrated with Integrated Care.
- 3.75. The Task Group went onto consider whether we had sufficient support arrangements in place for those in general needs accommodation. The group were assured that we do have enough floating support but the question is if we could change that floating support to better train and professionalise this might lead to better outcomes.
- 3.76. It was considered whether the NHS are inputting enough into social care initiatives. The Task Group noted the need for the NHS to step in and release some of the burden from our social workers. The Corporate Director said that through the Brent ICP we are working together to identify gaps in provision and if those gaps relate to health services then the NHS would be encouraged to fill those gaps, and jointly in Brent we are making the case for more funding to come to Brent to recognise historically lower levels of funding and greater need.

Resident Services

- 3.77. A total of £4.2m savings are proposed in the Resident Services Directorate for 2023/24.
- 3.78. The Task Group raised concerns with the language being used to describe cuts relating to the environmental services, and whether we are properly managing residents' expectations. The Cabinet Member for Environment committed to working with officers on the language in the proposals to better manage residents' expectations and prepare them for what is to come. For instance, differentiating between the proposals that equate to cuts/service reductions and the proposals that equate to efficiencies/service transformation.
- 3.79. The Task Group went onto consider the cumulative impact of cuts to residents' services over the last 10-12 years, and how we are managing these major gaps. Additionally, the feasibility of the budget proposals along with the impact they would have on residents/service users and how the risks would be mitigated were also reviewed.
- 3.80. The Corporate Director of Resident Services explained that we have been good at mitigating cuts by investing in technology and investing in different ways of working so that over time this helps to deliver the outcomes we want with a reduced cost.

Income Generation:

- 3.81. The Task Group also raised concerns on whether we are ambitious enough to generate new income streams to offset some of the cuts listed in the proposals. Specifically in relation to increasing fees and charges e.g. increased car parking charges. Officers were of the view that have pushed our proposals as much as possible in terms of generating income for parking fees/charges, which must be set for the purposes permitted under the legislation. Although options are currently being considered to introduce parking charges to motorcyclists. The Task Group highlighted that many motorcyclists in the borough (e.g. delivery drivers) have some of the lowest annual incomes and unstable employment (e.g. 'zero-hour/casual contracts'). Therefore, would have concerns if new parking charges for motorcyclists were introduced that significantly impacted this cohort of residents' livelihoods.
- 3.82. The Task Group also questioned whether we have been ambitious enough in pursuing payments that we should be getting from other companies e.g. contractors for breach of contract. Questions were presented on how the Council could better monitor our contracts and make sure that we get money back from our contracts when they are not fulfilled. The Cabinet Member explained that officers have regular meetings with all of our contractors on a regular basis where they have breached KPIs etc. They are required to make payments due under the contract in such circumstances. They do pay that amount. The Cabinet member went on to explain that these monies are reinvested into resident services.

Housing Revenue Account:

3.83. Since 2020/21, and originally for the following four years, the Council had the power to increase rents annually up to a maximum of CPI plus 1%. However due to the rapid rise of inflation within the context of the Cost of Living crisis, the government consulted on introducing a rent increase cap. The consultation included proposals for capping rent increases at 3%, 5% and 7%, all of which are below CPI + 1%. A central case scenario of a 5% rents cap was used for budget planning purposes in the draft budget, but it has since been confirmed that the maximum will be 7%. Officers acknowledged this as good news for the Housing Revenue Account and equates to a £1m increase to the HRA when compared to the draft budget estimate. Anything below 7% would have meant significant cuts to be made to our HRA, purely on the management and maintenance of our stock.

Increased Temporary Accommodation:

3.84. The Task Group praised the decision to protect frontline housing services and plans to invest in building temporary accommodation due to increased homelessness in the borough.

3.85. The group also welcomed the proposals to increase the amounts of temporary accommodation through acquisition of other social housing providers stock, although it had hesitations on the assumptions that were made in this proposal. For instance, whether there would be an appetite for Notting Hill Genesis to sell their stock. The Cabinet Member for Housing, Homelessness & Renters Security acknowledged that these concerns were legitimate. The Corporate Director for Finance and Resources stressed that risk mitigation had been built into this proposal, as well as the rest of the proposals.

Deletion of Vacant Posts:

3.86. The Task Group went on to consider the impact of the deletion of vacant posts throughout the proposals, and whether these have led to staff being overstretched in their existing roles. The Task Group noted officers' views that this risk was being managed through digital transformation, with staff work focus being on value-added work.

Use of Chatbots in Service Transformation:

3.87. The Task Group raised concerns with the increased use of chatbots, especially for those people with accessibility support needs. The Corporate Director assured that with the digital transformation proposals, there will still be options for vulnerable residents to interact and receive support from staff e.g. via Brent Hubs. It was stressed that we have 120 digital champions in place to support residents with accessibility support needs, where this figure will rise to 500 by 2026.

3.88. The group noted the proposed risk mitigations but stressed the need for chatbots to be trialled and tested by residents, especially those with accessibility needs.

Reducing Library Stock:

3.89. The Panel heard evidence that in reducing library stock, the aim is to reduce the books that are not currently being used. It is expected that this saving of £62k will not impact the resident experience. The Task Group accepted this but acknowledged that further mitigations should be explored to manage the risks associated with this proposal.

Street Light Dimming:

3.90. The Task Group were satisfied that the proposal to enact street dimming in certain areas to reduce energy costs was balanced with the need to ensure the safety of residents. The Cabinet Member for Environment stressed that when cuts are made to lighting, we carry out an audit of all the roads in Brent, and see where it is safe to carry out dimming activities. It was stressed that the Council would not go below the recommended Road Safety level for lighting. Also, any areas where there are concerns around crime would not be affected by these proposals.

3.91. The group noted the points made by the Cabinet Member, and highlighted the need to involve residents with visual impairments/mobility needs in the audit process.

Redefining Local Services:

- 3.92. The Task Group noted that two of the draft budget proposals (RS13 and RS18) within Residents Services relate to the 'Redefining Local Services' programme, where many of the contracts therein at the time of this meeting were still undergoing live procurement. The group confirmed that these proposals, specifically those relating to the Integrated Street Cleansing, Waste Collections and Winter Maintenance Services Contract Procurement Programme would be scrutinised in greater detail by the Resources and Public Realm Scrutiny Committee at an additional meeting on 15 December 2022. Numerous recommendations have since been put forward to the department inviting responses in time for the Resources and Public Realm Scrutiny Committee meeting on 22 February 2022².
- 3.93. The Task Group questioned the specific proposal relating to the review of the Brent Transport Service. It was stressed this was not a cut, but rather a service transformation. The idea is to ensure we are not doubling up on some routes. Currently the service is not running at the best capacity and not helping the SEND children, in terms of the route that they are taking. We are looking to transform the service to ensure we get the best outcome for SEND children, and for the Council in terms of how much we pay. The Task Group were satisfied that this would not impact our children with SEND.

Final Evidence Session

- 3.94. The final evidence session was held on 6 December 2022.
- 3.95. Key attendees included the Deputy Leader, the Chief Executive, and the Corporate Director of Finance & Resources.
- 3.96. At this session, the Task Group commended the budget as being well-informed but stressed to cabinet members and senior officers that improvements could be made to our consultation efforts so it is clear to residents what our vision/priorities are for the borough. This could increase our data set of consultation responses and invite more meaningful feedback.
- 3.97. The group raised concerns with the cuts-based proposals outlined in the budget for 2023/24 and revisited how the Council can increase its income streams to offset the impact of these cuts on Council services. It was suggested that the Council could perform a benchmarking exercise with other local authorities to identify viable options for income generation. The group also suggested for the Cabinet to utilise our community assets (such as parks) for income generation should the evidence allow us to do so.
- 3.98. The Panel raised concerns with the deletion of vacant posts in this budget, which sparked a wider conversation on the cumulative impact of staffing cuts over the last 10-12 years of austerity and how we are effectively responding to this. Albeit not a recommendation, we suggest that it would be worthwhile for the Council to undertake a comparison from 2010 to 2022 pertaining to workforce figures and the impact that this has had on our operations.
- 3.99. Nonetheless, the Task Group discussed and agreed the recommendations that would be made to Cabinet and Full Council, based on all of the evidence heard to date. For transparency purposes, the Chair flagged that possible amendments and changes could be made to the recommendations discussed and agreed in this meeting ahead of reviewing and digesting additional evidence outside of this meeting. Any additions would be reflected in this final report.
- 3.100. Final recommendations can be found in section 2 of this report.

² <https://democracy.brent.gov.uk/ieListDocuments.aspx?CId=551&MId=7251&Ver=4>

4. Conclusions

- 4.1. Given the extremely challenging circumstances that local authorities are facing with regards to budget pressures and financial planning, the Task Group believes that this report underlines the importance of Scrutiny's role as critical friend and a check and balance in reviewing the Council's budget proposals and budget performance throughout the annual cycle.
- 4.2. We are satisfied that the budget proposals for 2023/24 are designed to limit, as far as possible, service reductions and the impact to front line services. We are of the view that the Council has correctly balanced its responsibilities and risks; and maintained a strong financial position during an extremely tough time where there is a high level of financial uncertainty and significant funding pressures due to factors such as high levels of inflation, economic turmoil resulting from war in Ukraine, the Government's short-term funding settlements, delays in funding reforms, the effects of the cost of living crisis on residents and businesses in the borough and the ongoing impact of Brexit. Taking these issues into consideration, we agree with the Council's approach to restrict its budget proposals to a single year, rather than a customary two-year programme, to allow for flexibility in the budget setting process.
- 4.3. We have noted the significant savings required over the next 2 years is in addition to the £196m removed from the Council's budget since 2010. We have also noted that the precise figure of savings required for the next 2 financial years is likely to change due to the unexpected additional funding provided to the Council via the Local Finance Settlement from central government.
- 4.4. Although the Council has managed to set a balanced budget for 2023/2024 without severely impacting frontline services, it is only a matter of time before this becomes a reality with the challenging financial environment and uncertainty ahead. Moving forward it will be critical for the Council to double its lobbying efforts for additional funding to continue to provide an adequate level of support to our residents, especially as we navigate through the Cost of Living Crisis. We appreciate initiatives such as the Resident Support Fund and the Council Tax Support Scheme provide residents in financial difficulties with additional financial support. However, we hope these services are bolstered in some capacity as it is likely we will see more residents who historically do not access such support now requiring support to pay towards their increased living costs as a result of the forthcoming Council Tax increase, high inflation, rising energy costs, and rent increases.
- 4.5. We encourage the Council to continue to put residents at the heart of the budget priority setting, informing what the Council does and who it does it for. We believe there are further opportunities for the Council to closer align the budget proposals for 2023/24 with the democratically agreed strategic priorities identified in the new Borough Plan 2023-27.
- 4.6. We note that each of the budget proposals considered have been subject to equality impact assessments (EIAs) to assess their potential or likely impact on service users and employees with protected characteristics and where the EIA identifies a disproportionate negative impact with no reasonable mitigation, the proposal would be subject to a full EIA and could be changed or even rejected altogether. We do however suggest that officers relook at all EIAs conducted to ensure absolute accuracy and that they reflect the voices of those impacted.
- 4.7. Overall, the Task Group are satisfied that the proposals outlined aim to deliver efficiency measures, service transformations, cost reductions and income generation to protect front line services as much as possible. However, due to the scale of savings that need to be made on this occasion it is inevitable for the effects of the proposals to impact residents – directly or indirectly. It is important for Cabinet to ensure the risks of the proposals are risk mitigated as best as possible to ensure the Council continue to offer high quality services to residents.

- 4.8. The Task Group acknowledges that it is unlikely we will see an end to cuts to funding in the next 2 years. We encourage the Council to think more creatively on how we close our budget gaps without making significant cuts to services. For instance, developing innovative ideas to generate income from our assets and build on our legacy as a 'London Borough of Culture'; as well as leveraging funding from our anchor institutions (and relevant agencies) to deliver on joint initiatives for the common purpose of enriching our residents' lives.
- 4.9. The Task Group would also welcome more investment in the voluntary and community sector. The pandemic demonstrated the reliance on the sector to help residents access support and advice, and their role of providing a safety net to the Council in delivering vital services.
- 4.10. The Task Group supports the Draft Budget, subject to the outcomes of final consultation, and submits the recommendations outlined in section two of this report to the Resources and Public Realm Scrutiny Committee, Cabinet and Full Council for consideration. This report is not the end of the budget scrutiny process and we look forward to discussing our recommendations and the budget as a whole at future meetings.

5. Participants

We commend the Council for the prudent, tough financial decisions it has taken in recent years to ensure we have achieved a balanced budget, despite facing significant cuts to local government funding.

We would like to thank the following members for giving up their time to take part in this process, and also to the many council officers who worked extremely hard to support and provide us with information and advice on policy when needed:

- Councillor Muhammed Butt - Leader of the Council
- Councillor Mili Patel - Deputy Leader and Cabinet Member for Finance, Resources & Reform
- Councillor Fleur Donnelly-Jackson - Cabinet Member for Community Engagement, Equalities & Culture
- Councillor Harbi Farah - Cabinet Member for Safer Communities & Public Protection
- Councillor Gwen Grahl - Cabinet Member for Children, Young People & Schools
- Councillor Promise Knight - Cabinet Member for Housing, Homelessness & Renters Security
- Councillor Neil Nerva - Cabinet Member for Public Health & Adult Social Care
- Councillor Krupa Sheth - Cabinet Member for Environment, Infrastructure & Climate Action
- Councillor Eleanor Southwood - Cabinet Member for Jobs, Economy & Citizen Experience
- Councillor Shama Tatler - Cabinet Member for Regeneration and Planning
- Carolyn Downs – Chief Executive
- Minesh Patel – Corporate Director, Finance & Resources
- Peter Gadsdon – Corporate Director, Resident Services
- Phil Porter – Corporate Director, ASC & Health
- Nigel Chapman – Corporate Director, Children & Young People
- Debra Norman – Corporate Director, Governance
- Ravinder Jassar – Deputy Director of Finance
- Tom Pickup – Policy Partnerships and Scrutiny Manager
- Jason Sigba – Strategy Lead, Scrutiny
- George Kockelbergh – Strategy Lead, Scrutiny

The Task Group would also like to thank the following valued partners and stakeholders, who contributed to our discussion to ensure robust consideration of the 2023/24 budget proposals:

- SUFRA North West London
- Crisis Skylight Brent
- Brent Mencap
- Brent Multi-Faith Forum
- West London Business
- Brent Youth Parliament

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