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EXECUTIVE

Meeting to be held on Wednesday 11 February 2015

6 2015/16 COUNCIL TAX (Pages 3 - 14)

The following supplementary information is attached -

- Draft minutes from the recent round of PDS Committee's commenting on proposals for the 2015/16 budget
- The updated list of savings proposals

Copies of the documents referred to above can be obtained from
<http://cds.bromley.gov.uk/>

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EXECUTIVE – 11TH FEBRUARY 2015**COMMENTS FROM PDS COMMITTEES ON THE DRAFT 2015/16 BUDGET**

Extracts from minutes of PDS meetings are set out below -

EDUCATION BUDGET SUB-COMMITTEE – 6TH JANUARY 2015

The Sub-Committee considered a report setting out the draft Education Portfolio Budget 2015/16, which incorporated future cost pressures and initial budget saving options to be reported to the Executive on 14th January 2015. Members were requested to consider the initial budget saving options proposed and identify any further action to be taken to reduce the cost pressures facing the Local Authority over the next four years.

The Head of Education, Care and Health Services Finance advised Members that approximately £900k savings had been identified across the Education Portfolio for 2015/16. This included savings in essential car users' allowances, the redesign or reorganisation of some services, including the Youth Service and Schools and Early Years Commissioning and Quality Assurance Service, the reorganisation of contracts related to some services, and increased income generation targets for Children and Family Centres.

In considering the draft Education Portfolio Budget 2015/16, The Portfolio Holder for Education noted that no additional growth pressures had been identified in the Education Portfolio for 2015/16, but that there had been an additional allocation of funding relating to the full year effect of the reduction in the Education Services Grant and the closure of the outreach service. There would be further significant reductions in the Education Services Grant provided to the Local Authority as more Local Authority maintained schools converted to academy status, although the pace of transfer had now slowed. It was expected that the Local Authority would lose £6m per annum between 2013/14 and 2016/17 as a result of the conversion of Local Authority maintained schools to academy status.

RESOLVED that:

- 1) The financial forecast for 2016/17 to 2018/19 be noted;**
- 2) Members' comments on the initial draft saving options proposed by the Council's Executive for 2015/16 be noted; and,**

- 3) Members' comments on the initial draft 2015/16 Education Portfolio budget be provided to the meeting of the Council's Executive on 11th February 2015.**

EXECUTIVE AND RESOURCES PDS COMMITTEE, 7th January 2015

The report set out the initial draft budget for 2015/16 and indicated actions to reduce the Council's medium term "budget gap." The report set out potential savings to be considered by the Executive, but there were still outstanding issues and areas of uncertainty remaining. All PDS committees would be asked for their views before the Executive made its final recommendations to Council.

The Committee commented on a number of issues as follows –

- A Member commented that he found it unusual that the Council had three separate long term insurance policies expiring at different times, and that it would be better to approach insurers now and move towards a common renewal date, packaging these risks together.
- It was noted that the recent Working Group on the Effectiveness of Children's Centres had recommended 10% savings from the 2015/16 and 2016/17 budgets.
- It was noted that a strategic decision was being taken to charge Renewal Team and some Strategic Property costs to the Economic Development Fund and the Investment Fund respectively.
- A Member queried why the central contingency for the street cleansing contract could be reduced from £200k to £60k. It was explained that the context was that a saving of £1m had been made on the contract and a large contingency had been needed in case this saving could not be delivered; as no problems had been encountered it was possible to substantially reduce the provision.
- There was a £1m reduction in parking enforcement income; the Portfolio Holder had already been lobbying government on this issue.

The Chairman concluded that costs must continue to be contained.

RESOLVED that the recommendations be supported.

ENVIRONMENT PDS COMMITTEE, 20th January 2015

Members considered the Portfolio Holder's Draft 2015/16 Budget incorporating future cost pressures and initial draft budget saving options as reported to Executive, 14th January 2015.

Executive requested that each PDS Committee consider the proposed initial draft budget savings and cost pressures for their Portfolio, with the views of each PDS Committee reported back to the Executive's next meeting on 11th February.

Concerning a proposal to cease the development function in parks, it was explained that this related to landscaping development. The core service for parks would not be affected and costs for any future development landscaping in parks would have to be met from grant funding.

By reducing the frequency of paper collections from weekly to alternate week collections, it was suggested there might be increased litter problems and a greater influx of online “fix my street” requests. However, it was considered that a number of residents would retain paper in their home or garage. If it was necessary to keep paper bins outside, officers would encourage residents to cover the bins. Streets would also be cleaned by the Council’s street cleansing contractor.

Paper levels and associated revenue were already in decline and a primary reason for moving to an alternate week collection; any additional income reduction from paper had been modelled into the draft budget. To help increase paper tonnages it would be necessary to encourage more recycling. Measures to help achieve this are considered by the Committee’s Waste Working Group.

Should an alternate week paper collection be aligned with green box collection dates, it was suggested there might be a temptation to place excess paper in the green box. This was accepted, but associate waste advisers would be available to advise residents. Extra bins could also be provided as necessary. An alternate week paper collection would be considered in detail at a forthcoming Portfolio Holder meeting.

It was not possible to fine householders for leaving out waste/recycling before collection day, but any material so left could be regarded as a fly tipping problem if insufficiently protected. Waste/recycling should also be left for collection within the curtilage of a property and netting could help keep boxes and lids together.

Proposals were also noted to introduce collection charges for domestic clinical waste (or at least transfer the costs back to the relevant health authority). It was suggested that this should be a matter for the health authority and officers were working to this end.

RESOLVED that the Committee’s comments on the 2015/16 draft budget be provided to the Executive for consideration at their meeting on 11th February 2015.

CARE SERVICES PDS COMMITTEE, 21st January 2015

The Committee considered a report, including an updated version of appendix 1, setting out the draft Care Services Portfolio budget for 2015/16, based on the assessments of future cost pressures and initial budget savings presented to the Executive on 14th January 2015. All PDS Committees were requested

to consider the draft budgets for their portfolios, identify any further actions that could be taken to reduce cost pressures and report to the next meeting of the Executive on 11th February 2015 prior to the Executive making recommendations to full Council on 23rd February 2015 on the 2015/16 budget and Council Tax levels.

The Committee discussed the proposed commissioning savings listed at line 22 in appendix 1. Councillor Angela Wilkins attended as a ward councillor to emphasise the important role carried out by the Pineapple Club in Crystal Palace and Penge and Cator wards not just in offering a lunch club and healthy food but also in providing transport, giving advice and combating isolation. The Club had little warning that these savings were proposed and she proposed that transitional arrangements should be put in place if the proposals were approved. She also commented that this would be a false economy as the costs saved here would emerge elsewhere. Some other Members and Co-opted members agreed and it was suggested that further engagement with the groups involved was required.

Councillor Tony Owen also attended the meeting to speak on this issue. He commented on the importance of the role of the Ethnic Communities Project Manager, particularly given the large Somali community in the borough, the campaign against female genital mutilation and the increased risk from radical extremists. He urged that the savings be put on hold and alternative means to fund this post be investigated.

Members accepted that the Council faced difficult decisions and had to make savings to set a budget, but urged the Executive to consider carefully the implications of reducing funding for BME groups and to look at alternative sources of funding.

RESOLVED that the financial forecast for 2015/16 to 2018/19, the initial draft savings options presented to the Executive for 2015/16 and the initial draft budget be noted and the Committee's comments set out above be submitted to the Executive's meeting on 11th February 2015.

EDUCATION PDS COMMITTEE, 27th January 2015

The Committee considered a report setting out the draft Education Portfolio Budget for 2015/16, which incorporated future costs pressures and initial draft saving options reported to the Council's Executive on 14th January 2015. The draft Education Portfolio Budget for 2015/16 had also been considered at the meeting of Education Budget Sub-Committee on 6th January 2015, the minutes of which had been provided to Members of the Education PDS Committee for their information. Members were requested to provide their comments on the proposed savings and identify any further action to be taken to reduce cost pressures facing the Local Authority over the next four years.

The Head of Education, Care and Health Services Finance advised Members that approximately £1.1m savings had been identified across the Education

Portfolio for 2015/16. This included savings in essential car users' allowances, the redesign or reorganisation of some services, including the Youth Service and Schools and Early Years Commissioning and Quality Assurance Service, the reorganisation of contracts related to some services, and increased income generation targets for Children and Family Centres.

It was recommended than a new charge be introduced for the provision of Key Stage 2 Writing Moderation to academies. This service was currently free of charge to all Bromley schools by the School Standards team and was funded by a grant from the Department for Education, but recent guidance had clarified that the grant was intended to fund moderation services in Local Authority Maintained schools only. There was a statutory requirement to provide moderation services to academies if requested, but the Local Authority was permitted to charge for this service.

A Co-opted Member was concerned at high level of savings related to the proposed reorganisation of the Youth Service and how this would impact service provision.

RESOLVED that:

- 1) The financial forecast for 2016/17 to 2018/19 be noted;**
- 2) Members' comments on the initial draft saving options proposed by the Executive for 2015/16 be noted;**
- 3) Members' comments on the initial draft 2015/16 Education Portfolio Budget be provided to the meeting of the Council's Executive on 11th February 2015; and,**

The Portfolio Holder be recommended to agree the implementation of a new charge for moderation services to academy schools.

RENEWAL & RECREATION PDS COMMITTEE, 29th January 2015

Members considered a draft 2015/16 Budget for the Renewal and Recreation Portfolio incorporating future cost pressures and initial draft budget saving options as reported to the Executive on 14 January 2015.

The Executive requested individual PDS Committees to consider the proposed initial draft budget savings and cost pressures for their Portfolio and requested that Member comments be reported back to the next meeting of the Executive prior to Members making recommendations to Council on 2015/16 Council Tax levels.

During consideration of the variations compared with the 2014/15 budget (page 61), it was confirmed that the inflation figures were based on a 2% increase per annum.

The words 'impact of 2.0% Council Tax Increase' (page 61), pertained to a 2% Council Tax increase per annum.

The New Homes Bonus was created as an Investment Fund to generate income and was treated as a one-off payment as future funding may be dependent on the outcome of the General Election in May 2015. This would be a decision for the Executive or Full Council to take.

RESOLVED that:-

- (1) the financial forecast for 2016/17 to 2018/19 be noted;**
- (2) the initial draft savings options proposed by the Executive for 2015/16 be noted;**
- (3) the initial draft 2015/16 Budget be considered as a basis for setting the 2015/16 Budget; and**
- (4) Member comments on the initial draft 2015/16 Budget be provided to the February meeting of the Executive.**

PUBLIC PROTECTION & SAFETY PDS COMMITTEE, 3rd February 2015

The purpose of the Draft Budget report was to consider the Portfolio Holder's Draft Budget for 2015/16, and to scrutinise future cost pressures and possible budget savings options. Members were encouraged to suggest any further action that may be taken to reduce cost pressures.

Comments and suggestions from the Committee would be reported back to the Executive before their next meeting on February 11th 2015.

The Committee were reminded that the report to the Executive in January 2015 identified a budget gap rising to over £53m per annum by 2018/19.

The Committee were informed that there were four key areas in the Portfolio where possible savings had been identified:

- a review of the council wide Essential Car User Allowance Scheme, generating savings to the PPS Portfolio of £28k
- as part of the review of council wide organisational efficiencies and management costs, it was estimated that £95k could be saved through implementing these efficiencies
- a review of staffing and associated budgets across Public Protection and Community Safety was expected to save the Portfolio £219k
- a reduction in CCTV staffing costs would save £50k

Members noted that the total net budget for 2015/16 was estimated at £2,312,380.

RESOLVED:

(1) the Draft 2015/16 Budget report be noted

(2) that the initial draft savings options proposed by the Executive for 2015/16 be agreed

(3) that the initial draft 2015/16 budget be used as a basis for setting the 2015/16 budget

EXECUTIVE & RESOURCES PDS COMMITTEE, 4th February 2015

The Committee considered the draft 2015/16 revenue budget proposals. Confirmation of the GLA precept was still awaited, but it was anticipated that the 1.3% reduction proposed in the GLA's draft budget would not be changed. Notification of the final grant settlement had been received, and the Council would be getting an additional £202k. However, there was also a significant reduction in funding for discretionary housing payments from £683k to £509k. In response to a question, the Director confirmed that the current £683k was fully utilised.

RESOLVED that the recommendations be supported.

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Line	Division	Saving Option	15/16	16/17	Full Year Saving (£000k)
ALL DEPARTMENTS					
1	Essential Car Users	Circa £300k	300	300	300
2	Organisational efficiencies & Management costs restructure		1,500	2,000	2,000
SUB-TOTAL			1,800	2,300	2,300
CHIEF EXECUTIVES DEPARTMENT					
<u>Corporate Services Division (£21m Controllable Budget)</u>					
3	Facilities & Support	Retendering of cleaning contract	60	60	60
4	Facilities & Support	Restructuring Attendant service	25	25	25
5	Facilities & Support	Changes to franking machine provision	2	2	2
6	Information Systems and Telephony	Post revisions, software removal, resource days	121	121	121
7	Legal Services	Staff reduction	10	10	10
8	Contact Centre	North shoring - transferring whole contact centre to Barrow SSC*	13	26	26
9	Contact Centre	**Reduce contact centre SLA from 80% of calls answered in 30 seconds to 50% of calls answered within 1 minute	31	31	31
10	Contact Centre	Cease supply of caddy liners at Reception (available via Libraries)	6	6	6
11	Contact Centre	*Electoral register to be viewed by appointment only	4	4	4
12	Contact Centre	Parking fine appeals to only be online only	4	4	4
13	Contact Centre	Meeting attendees to self-serve notifying their arrival via internal phone - incl. training courses, officer & member meetings	4	4	4
14	Contact Centre	LBB staff & Cllr's to self serve and use online forms	4	4	4
15	Democratic Services	Remove coordination of complaints/FOI	50	50	50
16	Democratic Services	Approved changes to Cllr IT/Telephones	34	34	34
SUB-TOTAL			368	381	381
<u>Financial Services & Procurement Division - (£11m Controllable Budget)</u>					
17	Exchequer - Payments & Income	Saving from outsourcing and charging	221	221	221
18	Exchequer - Revenue & Benefits	Reduction of licence fees	75	75	75
19	Exchequer - Revenue & Benefits	Increased Council Tax & NNDR court costs	100	100	100
20	Exchequer - Revenue & Benefits	Contract negotiation with Liberata	100	100	100
21	Management Accounting & Systems	Delete further two finance posts within management accounting teams (if frequency of BM reduced to quarterly & response for financial information not so timely)	30	30	30
22	Management Accounting & Systems	Delete manager in FIS team (will then be dependent on 1 senior post for all interfaces in financial systems, FBM, EBM, BACS payments etc)	0	70	70
SUB-TOTAL			526	596	596
<u>Transformation & Regeneration - £2.5m Controllable Budget</u>					
23	Aquisition of Investment Properties	Assuming we invest £40m in the purchase of commercial property at a yield of 5.3% or higher £2m p.a. could be achieved	1,000	2,000	2,000
24	Planning	Increase pre-application advice fees (on top of inflation). Report to be submitted to the 18 March 2015 R & R PDS meeting.	15	15	15
25	Renewal	Renewal Team costs to be charged to Economic Development and Investment Fund on the basis that the work they do contributes to the investment, growth and development of the Borough.	51	155	155

Line	Division	Saving Option	15/16	16/17	Full Year Saving (£000k)
26	Strategic Property Services	Charge some of the Strategic Property costs to the Regeneration & Investment Fund	20	129	129
27	Strategic Property Services	Anerley Business Centre (subject to Member decision in November 14)	21	52	52
SUB-TOTAL			1,107	2,351	2,351
ENVIRONMENT & COMMUNITY SERVICE DEPARTMENT					
Public Protection (£2.5M controllable budget)					
28	Public Protection and Community Safety	Review of staffing to reduce services to the statutory baseline, which would include the deletion of 10 posts within the following areas: - Trading Standards, Food Safety, Licensing, Public Health & Nuisance, Community Safety and Housing	169	339	339
29	Community Safety	Reduction of the Portfolio Holder grant budget	50	100	100
30	Public Protection	Reduction of CCTV staffing costs	50	50	50
SUB TOTAL			269	489	489
Street Scene & Green Spaces (£30.5m Controllable Budget)					
31	Area Management & Street Cleansing	Cleansing of Public Conveniences Contract - Closure of remaining facilities (Bromley Town Centre, Beckenham, Penge and West Wickham)	22	89	89
32	Area Management & Street Cleansing	Reduce central contingency sum for street cleansing contract from £200k to £60k	140	140	140
33	Street scene and green space	Restructuring of SSGS division including; a fully commissioned park service and a review of the client contract monitoring function across the whole division.	182	530	530
34	Parks and Green Space	Parks Strategy - cease development function in parks	80	80	80
35	Waste Services	Reduced opening hours of the green garden waste satellite sites as per Environment PDS report 4 Nov 2014.	146	271	271
36	Waste Services	Reduce frequency of kerbside paper collections from weekly to fortnightly. Savings achieved by rationalising vehicle utilisation.	250	250	250
37	Waste Services	Introduce charges for collection of domestic clinical waste, or transfer costs back to health authority	30	30	30
38	Waste Services	Increase price of food waste liners from £2 to £2.50	35	35	35
39	Waste Services	Increase price of GGW Wheelie Bin service from £60 to £65 per annum from 1 April 2016.	0	30	30
SUB-TOTAL			885	1,455	1,455
Transport & Highways (£6.9m Controllable Budget)					
40	Parking	Increase parking charges	390	230	230
41	Network management	Additional £60k staffing to be charged to TfL Principal Road Maintenance capital budget	60	60	60
42	Traffic & Road Safety	New charges for disabled parking bays and white bar markings as per report to Environment PDS 23 September 2014.	20	20	20
SUB-TOTAL			470	310	310
Recreation (£6.8M Controllable Budget)					
43	Town Centre Management & Business Support	Efficiencies in TCM	0	46	46
44	Culture	Relocate Museum Exhibition Service to Central library as part of the agreed Heritage Strategy.	0	44	44
45	Libraries	Create 6 Community managed libraries as per the agreed library strategy report R & R PDS 18.11.14	0	250	250

Line	Division	Saving Option	15/16	16/17	Full Year Saving (£000k)
	SUB-TOTAL		0	340	340
	EDUCATION, CARE & HEALTH SERVICES DEPARTMENT				
	<u>Children's Social Care</u>				
46	Care and Resources	Personal Education Allowances	30	30	30
47	Care and Resources	Reorganisation of the service	50	50	50
48	Safeguarding and Care Planning	Bromley Gypsy Traveller - SLA	33	33	33
49	Referral and Assessment	CAMHS Funding, already achieved through recommissioning of service	125	125	125
50	Children's Disability Services	Changes to playgroup funding, cessation of floating support, and CIN play schemes already achieved	66	66	66
51	Bromley Youth Support Programme	Further efficiencies within the YOT Service	50	50	50
52	Safeguarding and Quality Assurance	Volunteers in Child Protection, already achieved	38	38	38
53	Safeguarding and Quality Assurance	Reorganisation of the service	27	27	27
	SUB-TOTAL		419	419	419
	<u>Adult Social Care</u>				
54	Assessment and Care Management	Deletion of one vacant post and a further post being redeployed	81	81	81
55	Assessment and Care Management	Older People contract efficiencies already achieved	181	181	181
56	Assessment and Care Management	Care management - new contracting arrangements already achieved	130	130	130
57	Assessment and Care Management	Implementation of IMPOWER work	250	250	250
58	Assessment and Care Management	Charging Policy update	200	200	200
59	Direct Services	Carelink	25	25	25
60	Direct Services	Reduce extra care housing capacity	150	150	150
61	Learning Disabilities Day and Short breaks Service	Staffing restructure - vacant posts	70	70	70
62	Learning Disabilities Day and Short breaks Service	Stop My-Time activities	52	52	52
63	Learning Disabilities Day and Short breaks Service	Running expense reduction	26	26	26
64	Learning Disabilities Care Management	Integration of Services, restructure to achieve integration	100	100	100
	SUB-TOTAL		1,265	1,265	1,265
	<u>Commissioning Division</u>				
65	Supporting People	Review service levels at retender for all contracts	213	213	213
66	Commissioning	Cease funding BME groups. Ethnic Comms Programme/Somali women and men, BACA, Pineapple club (£111k). Keyring service (£91k)	202	202	202
	SUB-TOTAL		415	415	415
	<u>Strategic & Business Support</u>				
67	Performance & Information	R&R and L & D reconfiguration of service, vacant post	31	31	31
68	Performance & Information	Running cost reduction	48	48	48
69	Performance & Information	Income generation from Perf & Info and Learning and Development Services.	45	45	45
	SUB-TOTAL		124	124	124
	<u>Housing Division</u>				
70	Housing Needs	Withdrawal of Winter Shelter contribution, peer education and CAB advice (specific housing advice contract)	51	51	51
	SUB-TOTAL		51	51	51
	<u>CHILDRENS SOCIAL CARE (Education Portfolio)</u>				
71	Youth Service	Bromley Youth Music Trust	230	306	306

Line	Division	Saving Option	15/16	16/17	Full Year Saving (£000k)
72	Youth Service	Service Redesign	506	506	506
73	Children's Centres	Income Generation/Savings	120	120	120
	SUB-TOTAL		856	932	932
	EDUCATION				
74	Schools & Early Years Commissioning and QA	Reorganisation of service including charging some elements to DSG	130	160	160
75	Strategic Place Planning	Charge 50% of 1 post to capital	33	33	33
76	Schools & Early Years Commissioning and QA	Contract efficiencies already achieved	48	48	48
	SUB-TOTAL		211	241	241
	TOTAL		8,766	11,669	11,669