

## **2022/23 COUNCIL TAX - COMMENTS FROM PDS COMMITTEES**

### **EXECUTIVE, RESOURCES & CONTRACTS PDS COMMITTEE**

**5<sup>th</sup> January 2022**

The report sought Executive approval of the initial draft 2022/23 Budget including the full year effect of changes agreed as part of the 2021/22 Council Tax report and savings approved during the year with the resultant impact on the Council's medium term "budget gap". A key part of the financial strategy was to highlight the budget issues that would need to be addressed by the Council over the coming financial years, by forecasting the level of available resources from all sources and budget pressures relating to revenue spending. Details of the capital programme would be reported separately to the next meeting of the Executive. PDS Committees views would also be sought and reported back to the February meeting of the Executive, prior to the Executive making recommendations to Council on the 2022/23 Council Tax and Adult Social Care precept levels. The report also provided details of the Provisional Local Government Finance Settlement 2022/23 which was published on 16th December 2021 and represented a one-year settlement only. The awaited Fair Funding Review and changes relating to the devolution of business rates, which could have a significant impact on future funding, had been delayed until at least 2023/24. There were still outstanding issues and areas of uncertainty remaining. Any further updates would be included in the 2022/23 Council Tax report to the February meeting of the Executive.

The Director of Finance introduced the report confirming that the Council had received a better than expected settlement but with no promise of additional funding in the future. Inflation continued to be a challenge and cost pressures, especially in Children's Services continued. The Chairman highlighted the forecast cost pressures in adult social care.

The Committee noted that Highways would be built into the revenue budget and would not appear as a variation in future year financial forecasts from 2023/24 onwards.

In response to a question, the Director of Finance confirmed that increases in National Insurance had been factored into the budget. Whilst a 5% increase in inflation had also been built into the budget Members were made aware that inflation was likely to increase further before eventually decreasing and this would need to be carefully managed through the central contingency.

The Committee requested that further information be provided following the meeting concerning the London Borough Grants Committee specifically where the money went, how much was allocated and how the expenditure benefitted Bromley.

**RESOLVED: That the Executive be recommended to:**

- 1. Agree the initial draft 2022/23 Budget detailed in Appendix 7 including continuation of the iBCF hospital discharge funding reserve and setting aside New Homes Bonus funding for housing investment.**
- 1. Refer the initial draft 2022/23 Budget for each portfolio to the relevant PDS Committees for consideration.**
- 2. Note the financial projections for 2023/24 to 2025/26.**
- 3. Note that there are still areas of financial uncertainty which will impact on the final 2022/23 Budget.**
- 4. Delegate the setting of the schools' budget, mainly met through Dedicated Schools Grant, to the Education, Children and Families Portfolio Holder, allowing for consultation with the Schools Forum (see section 11).**
- 5. Note that the outcome of consultation with PDS Committees will be reported to the next meeting of the Executive.**
- 6. Agree the proposed contribution of £246,470 in 2022/23 to the London Boroughs Grant Committee (see section 10).**
- 7. Note the outcome of the Provisional Local Government Financial Settlement 2022/23 as detailed in the report.**
- 8. Note the budget gap remaining of an estimated £19.5m per annum by 2025/26 and that any decisions made for the 2022/23 Budget will have an impact on the future year projections.**
- 9. Note that any final decision by Executive on recommended Council Tax and Adult Social Care Precept levels to Council will normally be undertaken at the next meeting of Executive.**

## **CHILDREN, EDUCATION & FAMILIES BUDGET SUB-COMMITTEE**

### **18<sup>th</sup> January 2022**

The report considered the Portfolio Holder's Draft 2022/23 Budget which incorporated the future cost pressures and initial draft budget saving options reported to Executive on 12<sup>th</sup> January 2022. Members were requested to consider the initial draft budget being proposed and identify any further action that might be taken to reduce cost pressures facing the Council over the next four years. Executive were requesting that each PDS Committee considered the proposed initial draft budget savings and cost pressures for their Portfolio with the views of each PDS Committee be reported back to the next meeting of the Executive, prior to the Executive making recommendations to Council on 2022/23 Council Tax levels. There were still outstanding issues and areas of uncertainty remaining. Any further updates will be included in the 2022/23 Council Tax report to the next meeting of the Executive.

In opening the discussion, the Chairman noted that at the last meeting in January 2021, the Committee had considered issues around the minimum funding guarantee, the slowing of the rate of increase of Education Care and Health Plans (EHCPs) which it now appeared had not happened, and the ending of the (Covid) redeployment of health colleagues who would be returning to their substantive posts. It was also noted that the Committee had previously considered the potential deficit in future years. Members noted that the Chairman of the PDS Committee had circulated a report which had recommended establishing a specific contingency fund for children's social care to address cost pressures arising from placements. The Chairman noted that the current position seemed similar to the previous year.

In response to a question, the Director of Children, Education and Families confirmed that no specific amount had been set aside for Covid catch up activities for children looked after, although a Government Grant was available for Covid catch-up. Evidence suggested that children looked after were doing well and continued to make progress in all areas. The progress of children looked after was kept under review, especially in terms of attainment, and these reviews were undertaken every six months. The Sub-Committee noted that the issue of Covid Catch-up had been raised by both the Living in Care Council (LinCC) and the Bromley Youth Council (BYC).

In relation to SEN Transport, the Sub-Committee noted that mitigations to address the ongoing cost pressures continued to be a work in progress and there were a number of areas that were being reviewed. A Transport Group had been established to look at a range of options, although the Sub-Committee noted that none would have an immediate impact on the ongoing budget pressures. The Director of Children, Education and Families highlighted that pressures within SEN Transport were a national issue and as such a range of approaches were required such as travel training, personalised budgets, and options around the delivery of the in-house fleet. The Sub-Committee also noted that the Service had recently procured software to assist with route optimisation to enable the most effective routes to be planned.

The Committee received reassurance that co-production would be at the heart of any proposals and that parents would be as fully engaged as possible. The Director of Education confirmed that the proposals in the draft budget were within existing policy. Going forward there would be full and meaningful consultation on any proposals outside existing policy.

In response to a question from the Chairman, the Director of Education confirmed that typically a placement was made for a key stage or for a specific phase of education and when transport was agreed it was for that period meaning there should not be a requirement for parents to apply every year. However, there may be specific individual circumstances that necessitated additional consideration and that may be around the nature of the placement or considerations that needed to be made at the annual review.

The Sub-Committee suggested that in future it would be useful for the Sub-Committee to receive a breakdown of the number of families accepting the additional

offers and travel training along with the reasons given for families declining the additional offers and travel training.

A Member noted that the report referenced the increasing costs of secure placements and questioned whether any options, from a capital funding perspective, were being considered in relation to buying property that could be commissioned and leased out for secure placements or other suitable accommodation. In response, the Director of Children, Education and Families reported that conversations were underway across London to identify suitable properties London-wide. This would enable secure accommodation placements to be available pan-London and as a contributor the London Borough of Bromley would be able to call on the resource where necessary.

In response to a question from the Chairman concerning whether there was any additional Covid Support Grant to support schools, especially smaller one form entry schools, with additional utility costs resulting from the need to have increased ventilation in classrooms during the winter months, the Head of Education and Children Social Care Finance confirmed that the Covid Support Grant contained an element for such increased costs however, schools were primarily funded through the Dedicated Schools Grant (DSG) and this funding had been increased for 2022/23.

The Chairman noted that referrals through the Multi Agency Safeguarding Hub (MASH) were increasing and sought assurances that support was being provided by the other partner agencies.

The Chairman noted that there were a number of areas of savings that may not immediately be apparent including, but not limited to:

- The Looked After Children and Care Leavers Team was fully staffed thus reducing costs on agency staff.
- There had been improvements in the stability of placements.
- A very good Foster Carer training scheme was in place which supported placement stability, and this was a growth area for which Bromley should be commended.

The Chairman expressed concerns in relation to SEND Tribunals, noting that head teachers had reported that it took an average of 30 hours to put together a report for a tribunal. It was therefore important to review the reasons why decisions made by the Local Authority were being overturned as this had financial implications. In response, the Director of Education confirmed that this was an area that was under close review. The Sub-Committee received reassurance that efforts were made to mediate with families and enhanced support was provided. Throughout the statutory assessment process, the Local Authority worked extensively with families. It was further noted that this was a national issue and the outcome of the national SEND Review was expected sometime in the Spring. This review would need to address some of the existing systemic issues.

In relation to a question concerning the shortage of Educational Psychologists, the Sub-Committee noted that additional funding had been allocated to support

recruitment and the position had improved from the previous year. The Director of Children, Education and Families highlighted that the shortage in Education Psychologists was a national issue. Work was underway to improve existing terms and conditions to make the London Borough of Bromley a more attractive option for prospective staff. The Committee noted that there were many important elements to the work of Education Psychologists and their role was not limited to work on statutory assessments.

**RESOLVED: That**

- i) The update on the financial forecast for 2022/23 to 2025/26 be noted;**
- ii) The initial draft 2022/23 budget be noted as a basis for setting the 2022/23 budget; and**
- iii) The Executive be recommended to note the comments of the Children, Education & Families Budget Sub-Committee on the initial draft 2022/23 budget at its meeting on 12 February 2022.**

**ENVIRONMENT & COMMUNITY SERVICES PDS COMMITTEE**

**19<sup>th</sup> January 2022**

Members noted that this report had been presented to them so that they could consider the Portfolio Holder's Draft Budget for 2022/2023 which took into account future cost pressures. Members were requested to scrutinise the report and provide any relevant comments to the Executive.

A Member made an enquiry regarding the cameras that were used to identify 'moving traffic contraventions'. It was noted that there was a problem with the cameras which was currently being addressed with the manufacturer.

A Member was surprised to note that the Council had spent £1.5m on the management and support of the Environment contracts. He said that this was twice as much as the Council spent on planting trees and queried if the Council had got its priorities right. The Director for Environment and Public Protection answered and pointed out that the Environment contracts were large and complex. The Council had a duty to ensure that the contracts worked properly and that these complex contracts were managed correctly and provided a sound and effective service. The Council had experienced problems in the past with the management of environmental contracts and it wished to learn from the past and avoid such issues re-occurring.

A Member stated that he would be interested to see how the allocation of resources in terms of contract managers were split across the various contracts. It was noted in the course of the discussion that as well as the contracts being large and complex, additional complexities had been added because of the COVID pandemic, and the shortages of both fuel and drivers. This meant that Bromley's contract managers had been working with contractors on a daily basis. The contract managers had to work effectively to ensure value for money and the continued and effective provision of Council services. It was noted that a 'Fix My Street' update would be provided to the Committee in March 2022 and the Director for Environment and Public Protection noted that out of 33,000 FMS inquiries--95% of these had been dealt with seamlessly.

He further pointed out that in most other councils they had much larger teams to manage contracts.

The Member responded and said that he would be interested to be provided with more information as to how the contract managers were assigned to the various contracts and he would like a breakdown of the budgets and headings. He wanted to understand how the budget headings were broken down by contract. He said it may be the case that the Committee may decide that a particular contract may need a greater allocation of contract managers for example. The Director for Environment and Public Protection responded and said that he would discuss this matter with the Head of Finance for ECS.

A Member asked if the Council was still encouraging people to compost and the response to this was affirmative. It was noted that the Council received income from paper recycling but not from the disposal of green garden waste. A Member asked if the pricing for the disposal of green garden waste was determined by statute and it was confirmed that this was not the case and the costs were controlled by the Council. Councillor William Huntington Thresher declared an interest in that he had taken advantage of the Council scheme to get some water butts.

The Chairman asked Members if there were any particular comments they would like to put forward to the Executive.

A Member referred to the table on page 131 of the agenda and the various figures quoted with respect to the Street Scene and Green Spaces contracts and said that he would like to have been provided with a detailed explanation of what was included in these figures.

The Director for Environment and Public Protection said that there were occasions when he felt uncomfortable with the relatively low number of staff managing large and complex contracts. The Chairman suggested that this could be something that could be fed back to the Executive. (Note—this was suggested at the time but was not a formal resolution)

A discussion took place regarding the increase in disposal costs for green garden waste. It was explained that this was partly due to the way the accounts were presented and the way expenditure was budgeted. In the first year there was an expense incurred by the Council with respect to buying new bins—this cost would not be applicable for the following year. The cost of disposal per tonne had not increased.

A Member raised the issue of bins and replacement bins. She had observed that the replacement bins were of a lower quality than the bins that had been used previously. They were not as robust and got damaged more easily. Sometimes they were damaged by the collection process itself. This would lead to the need for bins being replaced more frequently and so perhaps at the end of the day it was not cost effective to use cheaper replacement bins. The Director for Environment and Public Protection said that he would discuss this matter with the Assistant Director for Environment, the Waste Team and with Veolia.

A Member asked if LBB had benchmarked its Green Garden Waste pricing to other authorities. The response to this was affirmative. The Director promised to send the figures to the Member who had raised the matter (Cllr Marlow).

**RESOLVED that:**

- 1) The update on the financial forecast for 2022/23 to 2025/26 be noted.**
- 2) The initial draft budget be noted as the basis for setting the 2022/23 budget.**
- 3) The Director for Environment and Public Protection would provide a response to the Member who had raised the matter of defective moving traffic enforcement cameras.**
- 4) The Director for Environment and Public Protection would discuss the matter of inferior replacement waste collection bins with officers and Veolia.**
- 5) The data regarding the benchmarking of green garden waste collection services in comparison with other local authorities be provided to the relevant Member.**

**RENEWAL, RECREATION & HOUSING PDS COMMITTEE  
26<sup>th</sup> January 2022**

The report set out the Portfolio Holder's Draft 2022/23 Budget which incorporated future cost pressures, planned mitigation measures and savings from transformation and other budget options which were reported to Executive on 12<sup>th</sup> January 2022. Members were requested to consider the initial draft budget being proposed and also identify any further action that might be taken to reduce cost pressures facing the Council over the next four years.

The Executive had requested that each PDS Committee consider the proposed initial draft budget, savings and cost pressures for their Portfolio and the views of each PDS Committee would be reported back to the next meeting of the Executive, prior to the Executive making recommendations to Council on 2022/23 Council Tax levels. There were still outstanding issues and areas of uncertainty remaining.

It was confirmed that it was usual for housing authorities to prepare business plans stretching to thirty or even forty years due to the substantial capital investment required.

**RESOLVED that the update on the financial forecast for 2022/23 to 2025/26 and the initial draft 2022/23 budget as a basis for setting the 2022/23 budget be noted.**

**ADULT CARE & HEALTH PDS COMMITTEE  
27<sup>th</sup> January 2022**

The Committee considered a report setting out the draft Adult Care and Health Portfolio Budget for 2022/23, which incorporated future cost pressures, planned

mitigation measures and savings from transformation and other budget options which were reported to the Council's Executive on 12<sup>th</sup> January 2022. 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.

It was noted that the text in variation note 7 in Appendix 1 of the Adult Care and Health Portfolio Draft Budget 2022/23 report (Item 9b, agenda page 53) should read as follows:

7. Increase uptake of the Shared Lives service (Cr £310k) – Shared Lives is a cost effective service and the further expansion of the scheme will both help to mitigate cost pressures and care for service users in a supportive setting where a high level of *independence is maintained*.

The Chairman highlighted that the current Adult Care and Health Portfolio budget included Phase 1 and Phase 2 Transformation Savings, totalling £1.2m per annum, however significant cost pressures remained. With regards to a query on mitigation, the Head of Finance for Adults, Health and Housing noted that there were increases, including £3.3m of inflationary increases, within the draft budget and a total of £7.1m of growth for the service budget. This totalled £10.4m, which was an increase of 13% on the 2021/22 budget. A summary of mitigations was provided in the table on page 52 of the agenda pack. This totalled £3.5m, however it was noted that the top two items ('Use of iBCF from previous years to mitigate growth' and 'Allocation of unringfenced Covid funding from Reserves') did not require any action as grant funding had already been received. The Test and Trace Public Health grant was also included, and with the savings listed under the 'Real Changes' section there was just under £1m of savings to be delivered. Most of this had been identified, and work was ongoing to ensure that mitigations within Public Health were identified as soon as possible.

A Member questioned how a savings target of £200k within Public Health could be justified. It was highlighted that the Public Health team had done an incredible job throughout the pandemic, and it was considered that more money should be spent within this area, rather than targets for savings being set. The Portfolio Holder for Adult Care and Health advised that some of the Public Health savings identified related to efficiencies within the commissioning of sexual health programmes. Members were reassured that the mandatory responsibilities within Public Health were being maintained and future priorities would be identified through the Health and Wellbeing Board and Joint Strategic Needs Assessments (JSNA).

In response to questions, the Director of Adult Social Care said that a piece of work was being undertaken looking at how the transition between young people and adult placements could be best managed, and a paper with a number of recommendations would be brought to the Corporate Board in the coming weeks. With regards to increasing the uptake of the Shared Lives scheme, it was noted that this had been a longstanding target which had been impacted by a number of setbacks. There had been several staff changes, however a new manager had now been appointed and 12 additional Shared Lives carers had been recruited. In response to a further question relating to the drug and alcohol service, the Director of Public Health advised that the

service, for both children and young people and adults, had experienced significant pressures over the last couple of years. As drug related deaths had been increasing over time, a new service had been put in place and a substantial amount of joint working had been undertaken with partners, including the Coroner's service, to target funding accordingly. With regards to alcohol, it was noted that there had been an increase in consumption over the last couple of years, resulting in an increase in consultations and referrals from GP services into the adult's alcohol service. The increase seen within the children and young people service had thankfully been much smaller.

In response to questions, the Director of Adult Social Care advised that a number of vacancies had been deliberately held within the department whilst teams were restructured to prevent the need for redundancies. All of those posts would now be recruited to, and this process was underway. However, the difficulty in attracting staff into social care had been highlighted previously – a national campaign had been launched to help address this, and work was also underway at a local level to attract staff into the care business. With regards to supporting people at home, the Director of Adult Social Care highlighted that a number of services had been closed during the pandemic, including some respite services, and restrictions had prevented people from a number of different settings being brought together. Work was currently taking place to look at how both respite away from the home, and within people's homes, was provided.

In response to a question regarding the amount of savings identified, the Director of Adult Social Care noted that the Adult Social Care budget was a large proportion of the Council's overall spend and it was right that they were challenged to ensure they were making the most efficient use of the budget available. The report highlighted that there would be some significant additional pressures, including the cap on the amount of care that people would pay for. The savings identified would be challenging, but reassurance was given that the directorate would continue to meet its statutory requirements.

A Member noted the pressures on the mental health budget, which were continuing to build – this year there had been an overspend, however the full impact of the pandemic had not yet been seen. It was further noted that access to the contingency fund may be required if future outbreaks of COVID-19 occurred. In response to a question, the Director of Public Health said that the £160k listed for 'Increased responsibilities for health protection' related to increasing staffing levels within the Public Health team (two nurses and administration support). Over recent years temporary staff had been employed from funding received, which was not sustainable, and these appointments would allow the team to become more resilient and provide support to manage any future outbreaks. It was noted that COVID-19 testing and contact tracing had been funded separately by the government and it was anticipated that if this continued, additional funding would be received. The Member suggested that it would be helpful for this to be shown under the Public Health budget heading.

In response to a question, the Director of Adult Social Care advised that paragraph 7.1, which related to personnel implications, was a standard comment. It provided reassurance that if any individuals were to be impacted by potential changes the staff side would be consulted, however this was not currently anticipated.

**RESOLVED that:**

- i) The financial forecast for 2022/23 to 2025/26 be noted;**
- ii) Members' comments on the initial draft Adult Care and Health Portfolio budget 2022/23 as a basis for setting the 2022/23 budget be noted; and,**
- iii) Members' comments on the initial draft Adult Care and Health Portfolio budget 2022/23 be provided to the meeting of the Council's Executive on 9<sup>th</sup> February 2022.**

**PUBLIC PROTECTION & ENFORCEMENT PDS COMMITTEE**

**1<sup>st</sup> February 2022**

Members were asked to note the report and to provide comments to the Executive.

**RESOLVED that the Draft Budget report be noted.**

**EXECUTIVE, RESOURCES & CONTRACTS PDS COMMITTEE**

**7<sup>th</sup> February 2022**

The report identified the final issues affecting the 2022/23 revenue budget and sought recommendations to the Council on the level of the Bromley element of the 2022/23 Council Tax and Adult Social Care precept. Confirmation of the final GLA precept would be reported to the Council meeting on 28th February 2022. The report also sought final approval of the 'schools budget'. The approach reflected in the report was for the Council to not only achieve a legal and financially balanced budget in 2022/23 but to have measures in place to deal with the medium-term financial position (2023/24 to 2025/26).

The Director of Finance introduced the report and explained that the Council was imminently expecting the final settlement. Once the final settlement had been received an update would be provided to the Executive. The Committee noted that the Mayor of London had needed permission to increase Council Tax above referendum limits, this had been granted and it was therefore expected that the 8.8% increase in the London precept would still apply. The Director of Finance drew the Committee's attention to the reference in the report to reforms to adult social care which would need to be closely monitored and would be subject to future reports to Members. In response to a question concerning the revenue raised from the adult social care precept and the proportion of that funding directed to adult social care, the Director of Finance confirmed that specific details would be provided following the meeting. However, Members were advised that the precept has been fully utilised to contribute towards inflation, demographic and other cost pressures for adult social care - the Council was required to identify that funding raised through the precept was directed to adult social care.

In respect of recent government announcements concerning support for households for winter fuel bills, the Director of Finance confirmed that every household in Council

Tax bands A-D would receive a £150 fuel rebate from the Government, as long as it was a primary property. Members noted that for residents paying Council Tax by Direct Debit the fuel rebate would be easy to administer however some households would need to be written to. Local Authorities had been advised to wait for further guidance and some information would be included in Council Tax bills. There was a separate discretionary fund of £144m which could be utilised, for example, for households in Council Tax Bands E-H in receipt of benefit or Council Tax Support. There could be other alternatives for the funding that will need to be considered. Further guidance on this aspect was awaited. In response to a question, the Director of Finance confirmed that details of the percentage of council taxpayers in Bands A-D would be provided following the meeting. Members noted however that Bromley had a higher proportion of council taxpayers in the higher bands.

In response to a question concerning the other measures available to the Council to support households struggling with high fuel bills, the Director of Finance confirmed that the Household Support Fund was being utilised to support the most vulnerable families.

In relation to fairer funding, the Director of Finance confirmed that there had been delays to the Fairer Funding Review. Members noted that some of the data used to inform the financial settlement was 20 years old and it was likely that following the 2021 Census, the government would take the opportunity presented by the Review to update the data. It was further noted that the impact on Bromley of the Government's Levelling Up programme was unclear, although it was likely that Levelling Up would have a more significantly negative impact on inner London boroughs.

**RESOLVED: That the Executive be recommended to recommend to Council that it:**

- 1. Approves the overall Dedicated Schools Budget (DSG) of £92.3m which matches the estimated level of Dedicated Schools Grant (DSG), after academy recoupment;**
- 2. Approves the draft revenue budgets (as in Appendix 2 of the report) for 2022/23;**
- 3. Agrees that Chief Officers identify alternative savings/mitigation within their departmental budgets where it is not possible to realise any savings/mitigation reported to the previous meeting of the Executive held on 12<sup>th</sup> January 2022;**
- 4. Approves a contingency sum of £17,395k;**
- 5. Approves the following provisions for levies for inclusion in the budget for 2022/23;**

	<b>£'000</b>
<b>London Pension Fund Authority*</b>	<b>478</b>
<b>London Boroughs Grant Committee</b>	<b>247</b>
<b>Environment Agency (Flood defence etc.) *</b>	<b>270</b>

<b>Lee Valley Regional Park *</b>	<b>321</b>
<b>Total</b>	<b>1,316</b>

**\*Provisional estimate at this stage**

- 6. Notes the latest position on the GLA precept, which will be finalised in the overall Council Tax figure to be reported to full Council;**
- 7. Considers the “Bromley element” of the Council Tax for 2022/23 to be recommended to the Council, including a general increase and the Adult Social Care Precept, having regard to possible ‘referendum’ issues;**
- 8. Approves the approach to reserves outlined by the Director of Finance (see Appendix 4 of the report);**
- 9. Notes that any decision on final council tax levels will also require additional “technical” recommendations, to meet statutory requirements, which will be completed once the final outcome of levies are known at the full Council meeting);**
- 10. Agrees that the Director of Finance be authorised to report any further changes directly to Council on 28<sup>th</sup> February 2022.**