

COUNCIL

26 February 2024

DRAFT MINUTES FROM PDS COMMITTEES ON THE DRAFT BUDGET

ENVIRONMENT AND COMMUNITY SERVICES POLICY DEVELOPMENT & SCRUTINY COMMITTEE 23 January 2024

Draft Budget Minutes FSD24009

The report was presented to the committee by the Head of Finance for Environmental and Community Services. The aim of the report was to consider the Portfolio Holders draft 2024/25 Budget, which incorporated future cost pressures, planned mitigation measures and savings from Transformation and other budget options, which we reported to the Executive on the 17th of January 2024.

The Chairman expressed concern at the Council's predicted deficit of £39m by 2027/28.

It had been noted in the meeting that the Department for Transport had allocated £455k to the Council for a fund to deal with pot-holes. A Member commented that he could not find this in the draft budget and asked where it had been detailed. The Director for Environment and Public Protection commented that in his view this was because details of this funding had been released after the Budget had been drawn up. The Member commented that this funding should be added to the Budget. He commented that a budget could not be approved if details were missing. He asked that this comment be forwarded to the Executive.

A Member referred to the fact that the draft budget had shown a loss of income from the closure of West Wickham Car Park. She informed members that Chislehurst Library Car Park was likely to be closed for a period of six months for extensive renovations and that the loss of income from this closure should also be included in the Budget.

RESOLVED that the ECS PDS Committee note the Draft Budget Report.

Post Meeting Note:

Following the question regarding pot-hole funding—the following note was sent out to the committee the following day from the Head of Finance—ECS:

The question asked by Cllr Fawthrop at committee last night regarding the pothole funding for Highways and why that is not reflected in the ECS budget, the answer to

which is because the funding announced is 100% capital, and therefore would not be included in the draft revenue budgets for 24/25.

Please see link to funding announcement below which confirms that all funding is capital in the last paragraph before table 1 for regional allocations.

<https://www.gov.uk/government/publications/highways-maintenance-funding-allocations/local-highways-maintenance-additional-funding-from-2023-to-2034>

**PUBLIC PROTECTION AND ENFORCEMENT
POLICY DEVELOPMENT & SCRUTINY COMMITTEE
24 January 2024**

**Draft Budget Minutes
FSD24010**

A Member enquired if there were any transformational challenges that may at some point flow into the public protection budget. The Director for Environment and Public Protection answered and said that this was a relatively small budget and so no transformation items had been proposed for 2024/25. This could possibly change however in the medium term. The Member also asked if there were any fees for services, and if these would increase in line with inflation. The Director responded and said that the Council was looking at fees across the board; some fees were set by statute. Any proposed changes to fees would be brought back to the committee.

A Member referred to the provisional Local Government Finance Settlement and commented that it would be much more helpful if the settlements were not one-year settlements. It had been the sixth year in a row that the settlement had been on a one-year basis; a longer-term settlement would make financial planning easier. The Director stated that central government had just released extra funding for local government on the day of the meeting.

The Chairman was concerned that further financial assistance was needed, otherwise there would be problems with providing discretionary services and serious decisions would need to be made. He said that CCTV was a good example, although it was a non-statutory service in itself, the Council could not fulfil its statutory duties of protection without the CCTV. The Chairman said that another risk was MOPAC funding as it always seemed to arrive late. The Chairman requested a list of MOPAC funded projects.

RESOLVED that the Public Protection Portfolio Draft Budget be noted.

ADULT CARE AND HEALTH
POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

30 January 2024

**57 ADULT CARE AND HEALTH PORTFOLIO DRAFT BUDGET
2024/25
Report FSD24007**

The Committee considered a report setting out the draft Adult Care and Health Portfolio Budget for 2024/25, 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 17th January 2024. 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. It was noted that there were still outstanding issues and areas of uncertainty remaining further updates would be included in the 2024/25 Council Tax report to the next meeting of the Executive.

The Head of Finance for Adults, Health and Housing advised Members that the 2024/25 budget included significant growth to reflect the full year effect of the budget pressures during 2023/24, less some significant savings and mitigation to offset these pressures. Overall the draft 2024/25 budget totalled just under £95m which was a net increase of £6.7m compared to the previous year's budget.

A Member considered that it would be beneficial for the table provided in Appendix 1 to include a column with projected costs for 2023/24. The Head of Finance for Adults, Health and Housing said that the Q2 2023/24 Budget Monitoring report had a projected overspend of £1.5m. The 2024/25 budget looked to address the previous in-year pressures and included growth. The Director of Adult Social Care advised that the planning of the 2024/25 budget was based on the position at the end of Q2, which was reported at the last meeting. It was hoped that going forward there would be reduced pressure in the budget for this year.

In response to further questions, the Director of Adult Social Care advised that pressures on the Learning Disabilities service were in three areas: growth in the numbers using the service as people were living longer; the higher cost of purchasing services; and a significant increase in the number of young people transitioning from Children's to Adult Services. It was noted that the transition figures were based on Q2, however there was often an increase in demand at the end of the school year. With regards to the reference made that 'there may need to be a reduction in the scope and level of services', the Director of Adult Social Care said that the department would not stop providing any statutory services but would look at how they could be delivered more efficiently. The change of approach was outlined in the Adult Social Care Transformation Programme report provided to the meeting. The Director of Adult Social Care confirmed that work to identify any working age adults/older people whose care and support was currently being paid for by Bromley, but were the responsibility of another local authority, was undertaken on a regular basis. However it had been recognised that some were slipping through, particularly when people left hospital and

those with mental health needs. These pressure points had been identified and were being tightened up – the criteria itself was not being changed.

A Member enquired if there were plans to review the provision of stop smoking and weight management programmes. The Director of Public Health advised that an obesity service for adults had been funded from the public health grant, and would continue next year. It was noted that a 1-year pilot to deliver a smoking cessation service had been procured and a provider had been appointed. This was in preparation for the government funded smoking cessation programme from April 2024, which it was hoped would significantly increase the offer across the borough.

In response to further questions, the Head of Finance for Adults, Health and Housing said that the reduction in the budget for the Placement and Brokerage service area was due to the delivery of savings made through the Transformation Programme. The slight increase in the budget for the Information & Early Intervention service area was due to the growth allocated. With regards to the utilisation of the public health reserve to mitigate against inflation increases, the Head of Finance for Adults, Health and Housing advised that the public health grant supported a number of services across the Council and £263k would be used to address the inflationary pressures in these areas. It was noted that the cost of salary uplifts in the Public Health team had previously been funded from the general fund, rather than the public health grant. The Director of Public Health confirmed that the inflationary uplift had been significant – this related to staffing and services that Public Health funded, such as Children's Centres.

A Member noted that a national increase in rates of sexually transmitted diseases (STIs) had been reported in the media and enquired if this was being monitored locally. The Director of Public Health said that the borough had seen an increase in STI rates over a number of years, however this had slowed down. As part of the Public Health transformation programme, a new online testing provision had been implemented a couple of years ago, and the spend on hospital appointments had been significantly reduced. In addition to this, a London sexual health tariff programme had been introduced so all providers charged the same rate. The area of sexual health was a good example of reducing spend by having transformed the service.

In response to a question regarding the mental health budget, the Head of Finance for Adults, Health and Housing said that the full year effect of the 2023/24 overspend on Mental Health services was £529k and this had been funded in the 2024/25 budget. The Director of Adult Social Care confirmed that no additional money had been drawn down during 2023/24, the existing money had just been used in a different way.

RESOLVED that:

- i) The financial forecast for 2024/25 to 2027/28 be noted;**
- ii) Members' comments on the initial draft Adult Care and Health Portfolio budget 2024/25 as a basis for setting the 2024/25 budget be noted; and,**
- iii) Members' comments on the initial draft Adult Care and Health Portfolio budget 2024/25 be provided to the February 2024 meeting of the Council's Executive.**

**CHILDREN, EDUCATION AND FAMILIES
POLICY DEVELOPMENT AND SCRUTINY COMMITTEE**

48. POLICY DEVELOPMENT AND OTHER ITEMS

**a. CHILDREN, EDUCATION AND FAMILIES PORTFOLIO
DRAFT BUDGET 2024/25
Report CEF23068**

The report considered the Portfolio Holder's draft 2024/25 budget which incorporated the future cost pressures and initial draft budget saving options reported to the Council's Executive on 17 January 2024. Members were requested to consider the initial draft budget being proposed and to identify any further action that might be taken to reduce cost pressures facing the Council over the next four years with a view to the Council's Executive making recommendations to Council on the 2024/25 Council Tax levels. There were still outstanding issues and areas of uncertainty remaining and any further updates would be included in the 2024/25 Council Tax report to the meeting of the Council's Executive on 7 February 2024.

In reviewing the draft budget, a Member observed that emergency foster placements remained a substantial cost pressure for the Portfolio and queried whether it would be feasible to establish a Local Authority-owned children's home that offered better value for money than placements made via Independent Fostering Agencies. The Director of Children, Education and Families confirmed that all options for future service delivery would be considered. Moving forward, a significant emphasis would be placed on developing innovative and cost-effective service models that would help contain the cost pressures caused by increasing demand for statutory services and regular updates on the findings of this work would be reported to the Committee. A Member suggested there may be scope for innovative practice within the youth service as some local charities and organisations were already working effectively with young people within local communities. Another Member asked about transformation work already delivered within SEND Transport and was advised that two travel trainers were now in place and details of the number of children and young people benefitting from this service would be provided to the Committee following the meeting.

A Member underlined the need to continue to focus on recruitment and retention as permanent staff were more cost effective than those employed via an agency. The Director of Children, Education and Families was pleased to report that the Local Authority's overseas recruitment work continued to be very effective in securing high quality staff and it was anticipated that the 'Outstanding' Ofsted judgement would help attract the highest quality staff to join the Local Authority in a permanent role. Another Member highlighted the Local Authority's low settlement funding per head of population which was £123 per head of population for the 2024/25 financial year against a London average of £330 and stated that this disparity in funding levels needed to be resolved. The Chairman queried whether recharges were made to the Adult, Care and Health Portfolio with respect to services for young people with special educational needs and disabilities aged 18-25 years and the Head of Finance: Children, Education and Families confirmed that a funding mechanism was in place to

ensure that costs were charged to the appropriate Portfolio. It was expected that an additional social care grant would be provided to the Local Authority for the 2024/25 financial year to help offset some costs and this would also be apportioned between the adults' and children's services.

In considering how the draft budget was displayed to the Committee, a Member noted that the original 2023/24 budget was shown alongside the draft 2024/25 budget with further columns for increased costs and other changes. The Member suggested that it could be helpful to include the projected end 2023/34 budget to enable Members to compare the actual costs for 2023/24 with the draft budget for 2024/25 and this request would be noted for future reporting.

Councillor Rebecca Wiffen tabled an additional recommendation requesting the Committee:

2.2 Consider extending full council tax relief for care leavers, offering 100% discount on council tax for care leavers until the age of 25, provided the following criteria are met:

You must be a London Borough of Bromley care leaver, having been/being looked after by the Borough, and have applied for other discounts such as single person discount/student discount.

The Chairman stated that any such decision was in the remit of Full Council and moved that the recommendation be deferred to the meeting of Full Council on 26 February 2024 when the 2024/25 budget would be set. The motion was seconded by Councillor Alexa Michael, put to the vote and CARRIED.

RESOLVED: That:

- **The update on the financial forecast for 2024/25 to 2027/28 be noted;**
- **The initial draft 2024/25 budget be noted as a basis for setting the 2024/25 budget; and,**
- **The Council's Executive be recommended to note the comments of the Children, Education and Families PDS Committee on the initial draft 2024/25 budget at its meeting on 7 February 2024.**

**RENEWAL, RECREATION AND HOUSING
POLICY DEVELOPMENT AND SCRUTINY COMMITTEE**

53 POLICY DEVELOPMENT AND OTHER ITEMS

**A RENEWAL, RECREATION AND HOUSING PORTFOLIO DRAFT
BUDGET 2024/25
Report FSD24008**

The report considered the Portfolio Holder's draft 2024/25 Budget which incorporated the future cost pressures, planned mitigation measures, savings from transformation and other budget options reported to the Council's Executive on 17 January 2024. Members were requested to consider the initial draft budget being proposed and to identify further action that might be taken to reduce cost pressures facing the Local Authority over the next four years with a view to the Council's Executive making recommendations to Council on the 2024/25 Council Tax levels. There were still outstanding issues and areas of uncertainty remaining and any further updates would be included in the 2024/25 Council Tax report to the meeting of the Council's Executive on 7 February 2024.

In response to a question from a Member on the high demand for temporary accommodation, the Head of Finance: Adults, Health and Housing agreed that that growth pressures remained challenging but that a projected increase of twenty households per month had been factored into the draft 2024/25 budget which would help contain costs. The Member asked whether selective licensing for private rented properties that were not Houses in Multiple Occupation (HMO) had been explored as an option and the Portfolio Holder confirmed that all housing options were considered but that licensing came under the remit of the General Purposes and Licensing Committee. The Chairman further advised the Committee that Gareth Bacon MP had recently contacted the Home Office to highlight pressures on temporary accommodation in the London region from the placement of asylum seekers in local hotels.

RESOLVED: That:

- 1) The update on the financial forecast for 2024/25 to 2027/28 be noted;**
- 2) The initial draft 2024/25 budget be noted as a basis for setting the 2024/25 budget; and,**
- 3) The Council's Executive be recommended to note the comments of the Renewal, Recreation and Housing PDS Committee on the initial draft 2024/25 budget at its meeting on 7 February 2024.**

EXECUTIVE, RESOURCES AND CONTRACTS POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

(5) COUNCIL TAX REPORT 2024/25 Report FSD24014

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. This was reported to previous meeting of Executive. Details of the capital programme were reported elsewhere on this agenda.

The Provisional Local Government Finance Settlement 2024/25 only covered 2024/25, with no indication of future years funding. The settlement included continuation of the ASC precept, increase in new homes bonus, increase of repurposed social care funding (children's and adults) and market sustainability improvement fund (adult social care). However, there were significant reductions in the Services Grant.

There remained uncertainty around the level of Government funding for 2025/26 and beyond, particularly as the Government would need to address the significant increase in public debt due to the pandemic. The longer-term Spending Review together with the awaited Fair Funding Review and Devolution of Business Rates (or any revised funding proposals) was not expected until 2026/27 but could be delayed even further.

This report identified the final issues affecting the 2024/25 revenue budget and sought recommendations to the Council on the level of the Bromley element of the 2024/25 Council Tax and Adult Social Care precept.

Confirmation of the final GLA precept would be reported to the Council meeting on 26th February 2024. The report also sought final approval of the 'schools budget'. The approach reflected in this report was for the Council to not only achieve a legal and financially balanced budget in 2024/25 but to have measures in place to deal with the medium-term financial position (2025/26 to 2027/28).

Following the Government reductions in funding since austerity measures began there have been some recent improvements in funding. However, the burden of financing increasing service demands falls primarily on the level of council tax and share of business rate income. The financial forecast assumes that the level of core grant funding will remain unchanged, in real terms, from 2025/26.

In introducing the report, the Director of Finance provided an update noting the following:

- Earlier in the day the final settlement had been received which had included further one-off funding for 2023/24 of £411k;
- In addition to the funding announced on 26th January 2024, a further ongoing £24k had been received;
- A supplementary paper had been circulated to the committee providing details of the consultation responses and the minutes from the PDS Committees' consideration of the budget;
- Councils were required to produce productivity plans by July 2024;
- Details of some grants remained outstanding;

- Questions remained around the future of the Household Support Grant and further details were expected in the Spring Budget on 6th March 2024;
- Further technical recommendations would be presented to Executive on 6th February 2024.

In response to a question, the Director of Finance confirmed that the additional £411k was a business rate levy adjustment and the funds would be reflected in the Quarter 4 Budget Monitoring Report.

In response to a further question, the Director of Finance confirmed that there was no expectation that there would be any changes to the initial precept figures provided by the Mayor of London.

In relation to the Homelessness Prevention Grant, the Director of Finance explained that the final allocation was not yet known, and the report reflected a best estimate based on judgement.

RESOLVED That Executive be recommended to recommend to Council that:

1. The overall Dedicated Schools Budget (DSG) of £116.5m which matches the estimated level of Dedicated Schools Grant (DSG), after academy recoupment be approved;
2. The draft revenue budgets (as in Appendix 2) for 2024/25 be approved;
3. 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 17th January 2024;
4. A general contingency sum of £9,772k (see section 6) be approved;
5. The following provisions for levies for inclusion in the budget be approved:

	000s
London Pension Fund Authority*	460
London Boroughs Grant Committee	248
Environment Agency (Flood defence etc.) *	310
Lee Valley Regional Park *	324
Total	1,342

6. The latest position on the GLA precept, which will be finalised in the overall Council Tax figure to be reported to full Council (See section 12) be noted;
7. The “Bromley element” of the Council Tax for 2024/25 to be recommended to the Council, including a general increase and the Adult Social Care Precept, having regard to possible ‘referendum’ issues (see section 16) be considered;
8. The approach to reserves outlined by the Director of Finance (see Appendix 4) be approved;

9. 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 (see 16.8) be noted;
10. The Section 25 commentary (Local Government Act 2003), reflected in section 18 of the report, be considered in making recommendations to full council;
11. The Director of Finance be authorised to report any further changes directly to Council on 26th February 2024.