

<u>Meeting</u>
Council
<u>Date and time</u>
Tuesday 27th February, 2024
At 7.00 pm
<u>Venue</u>
Hendon Town Hall, The Burroughs, London NW4 4BQ

Dear Councillors,

Please find enclosed a collated version of the Conservative Alternative Budget.

Item No	Title of Report	Pages
10.1	Conservative Alternative Budget	3 - 8

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Council Meeting - 27 February 2024

Items set out in Section 31A (2) (a) to (f) of the Act	£1,086,567,324	with	£1,081,313,324
Items set out in Section 31A (3) (a) to (d) of the Act	£856,711,942	with	£851,457,942
Council Tax Requirement in accordance with Section 31A (4) of the Act,	£229,855,382	with	£229,855,382

The Conservative Group Budget Proposals				
	2024/25	2025/26	2026/27	2027/28
	£	£	£	£
PART 1 - REVENUE				
Variations in Expenditure				
Ongoing				
Quit LGA	(72,000)	(72,000)	(72,000)	(72,000)
Quit London Councils membership	(162,000)	(162,000)	(162,000)	(162,000)
Staff efficiencies: All services excluding statutory services - 4.7% saving	(2,829,419)	(2,829,419)	(2,829,419)	(2,829,419)
Option 3: Relocate Back Office and Administrative Staff - 25% saving in cost	(2,674,581)	(2,674,581)	(2,674,581)	(2,674,581)
Reduce non-statutory staff training budget by 30%	(109,000)	(109,000)	(109,000)	(109,000)
Scrap Barnet First or make fully self-financing	(68,000)	(68,000)	(68,000)	(68,000)
Reduce communications budget by 50%	(420,000)	(420,000)	(420,000)	(420,000)
End Trade Union financial assistance	(128,000)	(128,000)	(128,000)	(128,000)
Office efficiencies - 80% reduction in printing budget, more energy efficient bulbs etc	(50,000)	(50,000)	(50,000)	(50,000)
Consolidate existing Cabinet post to 7 and create new cabinet member solely responsible for Finance.	(30,000)	(30,000)	(30,000)	(30,000)
Disband Town centre team	(517,000)	(517,000)	(517,000)	(517,000)
Subtotal	(7,060,000)	(7,060,000)	(7,060,000)	(7,060,000)
One-off				
Scrap Director of Transformation	(214,000)	(214,000)	(214,000)	(214,000)
Scrap Strategic Policy Advisor	(80,000)	(80,000)	(80,000)	(80,000)
Subtotal	(294,000)	(294,000)	(294,000)	(294,000)
TOTAL SAVINGS	(7,354,000)	(7,354,000)	(7,354,000)	(7,354,000)

Developments				
Ongoing				
Increase CIL budgets for area committees (25%)	1,000,000	1,000,000	1,000,000	1,000,000
Increase tree and flower planting in town centres and wild meadows along roads	100,000	100,000	100,000	100,000
Boost to repair roads, pavements and other related improvements.	1,000,000	1,000,000	1,000,000	1,000,000
Subtotal	2,100,000	2,100,000	2,100,000	2,100,000
One-off				
Subtotal	0	0	0	0
TOTAL DEVELOPMENTS	2,100,000	2,100,000	2,100,000	2,100,000

Variations in Income				
Ongoing				
More advertising on council land and website	(100,000)	(100,000)	(100,000)	(100,000)
Freeze Council Tax (2%)	4,200,000	4,200,000	4,200,000	4,200,000
Freeze Green Bin Charge	1,000,000	1,000,000	1,000,000	1,000,000
SEND Transport – cost to avoid the cut	800,000	800,000	800,000	800,000
Renting out a further two floors of the Colindale office to third parties	(646,000)	(646,000)	(646,000)	(646,000)
Subtotal	5,254,000	5,254,000	5,254,000	5,254,000
One-off				
Subtotal	0	0	0	0
TOTAL INCOME	5,254,000	5,254,000	5,254,000	5,254,000

Variation to revenue budget recommended (0) (0) (0) (0)

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This report sets out the proposed alternative budget for 2024/25 and an alternative MTFS. The alternative budget focuses on protecting the most vulnerable residents, the elimination of wasteful expenditure, reversing the increase in the Green bin charge and reducing the increase in Council tax to 1%.

The administration has too many cabinet posts and is unique in the Boroughs north of the Thames in not having a cabinet member responsible for Finance who is not the Leader. The administration budget would have been much more robust with a cabinet member who has the responsibility for challenging colleagues on their expenditure plans and looking for ways to improve efficiencies. We believe that Barnet needs a much stronger and more rigorous focus on the finances of the borough.

The main points of the alternative budget are:

- Reduce increase in council tax by 2% to 0.98% against 2.98% in the administration budget
- Freeze Green Bin Charge
- Protect SEND transport budget
- Increased staff efficiencies (excluding statutory services Adults Children's Social Care, Street Cleaning and Grounds Maintenance, waste and Public Health)
- Close down the ineffective Town Centers team
- Reduced propaganda budgets
- Consolidate existing cabinet posts to 7 and create Cabinet member solely for finance
- Increase outside rental of Colindale office floors
- Eliminate unnecessary membership of outside organisations

The cost saving proposals in the administration budget have been taken as achievable as they have been approved by the S151 officer within a deemed prudent budget. However, a number of these proposals including those in Adults which seek to reduce the cost of care, the use of digital in HMO licensing and other areas, increased funding from the NHS continuing care and other external funding bodies, the use of CIL for normal running costs and the capitalisation of previous revenue costs are going to be extremely challenging to achieve or are significantly less prudent than in previous years.

The alternative budget improves efficiencies, protects the vulnerable and lowers the increase Council tax.

We recommend that it is adopted.

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Section 151 Officer and Monitoring Officer Comments on the Conservative Alternative Budget

Staff efficiencies:

All services excluding Adults and Children's Social Care, Grounds Maintenance, Street Clean, Waste & Public Health. Notionally this would be taking approximately 51 posts out of the services not mentioned above. These 51 posts would be in addition to the staffing savings already included in the MTFS and would have a significant impact on the delivery of those services. There are elements within these services where it would not be possible to generate savings because service delivery is either contracted to other organisations, funding is ringfenced or services are income generating. The S151 would advise caution in the delivery of this saving and the impact it could have on services.

Any proposals for the relocation of back office and administrative staff would have associated set up costs. There would be a lead in time for delivery and savings would not be achievable from 1st April 2024. Associated costs could include project costs, set up costs and possible redundancy costs.

End trade union financial assistance:

Legally the council does not have to fund full time union officials, but the council have to legally allow reasonable facilities time. If the council did not fund full time union officials, the council would have to continually release other union reps for facilities time, to represent members at hearings, attend JNCC meetings etc. Removing the funding for union officials would therefore shift cost onto service departments. It would also risk a significant industrial relations dispute.

Increasing Neighbourhood CIL

Charging authorities can choose to pass on more than 25% of the levy, although the wider spending powers that apply to the neighborhood funding element of the levy will not apply to any additional funds passed on. These additional funds can only be spent on infrastructure, as defined in the Planning Act 2008 for the purposes of the levy. In effect, if more than 25% is used by area committees there would be more restrictions on how they spend it and they would have to comply with the tighter controls that are imposed on Borough CIL.

Advertising

Any increased advertising on council land and website would need to be within the limits set by law and looked at on a case-by-case basis.

Capitalisation of Revenue costs - clarification:

The narrative accompanying the Conservative Group's alternative budget references "capitalisation of previous revenue costs". For clarification, none of the proposals within the MTFS propose this course of action.

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