

Report of: Chair of the Policy and Performance Scrutiny Committee

Meeting of:	Date:	Ward(s):
Executive	7 February 2019	All

Delete as appropriate	Exempt	Non-exempt
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SUBJECT: BUDGET PROPOSALS 2019/20 – COMMENTS OF THE POLICY AND PERFORMANCE SCRUTINY COMMITTEE

1. Synopsis

- 1.1 The Policy and Performance Scrutiny Committee considered the budget proposals at its January 2019 meeting. The Executive Member for Finance, Performance and Community Safety, Councillor Andy Hull, was present to answer questions.

2. Recommendations

- 2.1 That the comments of the Policy and Performance Scrutiny Committee be forwarded to the Executive for consideration:
- Noted that Central Government has reduced its core funding to the Council by 70% since 2010
 - The combination of Government funding cuts and rising demand for services means that the Council has to close a revenue gap of £50m over the next 3 years, and that the Council has already had to make savings of £225m since 2010
 - Members noted that the Council has undertaken an extensive organisation wide exercise to re-examine every budget line and to prioritise spend
 - The Committee were pleased to note that the Council had managed to set a 3 year budget, which gave certainty to residents on services that would continue to be provided and to staff

- Welcomed the investment in new build Council housing and the provision for tackling homelessness
- Members welcomed the additional £13.5m allocated to purchase properties to provide temporary accommodation and the £0.5k for targeted support for youth provision
- Noted that the Council Tax increase would be 2.99%, which would leave LBI Council Tax still below the London average
- Noted that the Government had now agreed to fund applications for EU settled status, and that this would require a budget amendment, as the Council had set aside provision for this payment
- Reference was made to the fact that provision needed to be made for possible Partners property repairs when these transfer back to the Council
- Precise details were not at present known as a result of the Government's Fair Funding Review
- With regard to possible staff losses (likely to be around 180 posts over a 3 year Budget period), these could be achieved largely through the deletion of vacant posts and voluntary redundancies. Discussion was taking place with Trade Unions on the proposals. These posts were a mixture of more senior and lower paid grades and spread across departments
- Noted that the Council are not offering enhanced voluntary redundancy arrangements
- Discussion took place as to the Business Rate Retention scheme and that this was administered by the Corporation of London and the Council had a representative on the decision making bodies.

Implications

3.1 Financial Implications:

These are set out in the main budget report.

3.2 Legal Implications:

These are set out in the main budget report.

3.3 Environmental Implications:

These are set out in the main budget report.

3.4 Resident Impact Assessment:

This is set out in the main budget report.

Appendices – None

Background papers – None

Signed by:



28 January 2019

Chair of Policy and Performance Scrutiny Committee

Date

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