



**Report for:  
INFORMATION**

**Item Number:**

<b>Contains Confidential or Exempt Information</b>	No
<b>Title</b>	Budget Strategy 2020/2021
<b>Responsible Officer(s)</b>	Ross Brown Chief Finance Officer
<b>Author(s)</b>	Shabana Kausar Head of Strategic Finance
<b>Portfolio(s)</b>	Finance and Leisure - Cllr Bassam Mahfouz
<b>For Consideration By</b>	Ealing Business Partnership
<b>Date to be Considered</b>	4 February 2020
<b>Implementation Date if Not Called In</b>	N/A
<b>Affected Wards</b>	All
<b>Area Committees</b>	All
<b>Keywords/Index</b>	Savings, budget, revenue, capital

**Purpose of Report:**

This report invites Ealing Business Partnership to express views on the Council's Budget for 2020/2021.

- 1** It is recommended that Ealing Business Partnership:
  - 1.1 Notes and considers the content of this report and the presentation on the 2020/21 budget delivered by Ealing's Finance team at this meeting; and
  - 1.2 Notes that any views formally expressed by the EBP regarding the 2020/21 budget will be submitted to the Council meeting on 25 February 2020 for consideration as part of the council's annual budget report.

## **2 Reason for Decision and Options Considered**

- 2.1 The council is required to consult non-domestic ratepayers on its budget proposals. The purpose of this report is to satisfy that requirement.

## **3 Key implications**

### **Financial implications**

- 3.1 This whole report is concerned with the council's 2020/21 budget.

## **4 Legal implications**

- 4.1 The Non-Domestic Ratepayers (Consultation) Regulations were made under section 65 of the Local Government Finance Act 1992. The Act places a duty on the council to consult non-domestic ratepayers in its area about proposals for expenditure for each financial year.
- 4.2 The Non-Domestic Ratepayers (Consultation) Regulations prescribe the format and content of the information which is to be made available to non-domestic ratepayers.
- 4.3 The Council has a legal duty to set a balanced budget.

## **5 Community Consultation**

- 5.1 This report forms part of the council's consultation process on its 2020/21 budget.

## **6 Background**

- 6.1 The Head of Strategic Finance will give a presentation on the 2020/21 budget at the meeting.
- 6.2 Further details of Ealing's 2020/21 budget, which will reflect the final budget position being considered at Cabinet on 11 February 2020 and Council on 25 February 2020, will be provided prior to the Ealing Business Partnership (EBP) meeting. Budget strategy updates have been provided to Cabinet in July and December 2019. The final Budget Strategy report will be published on 3 February as part of the Cabinet agenda and a link to this report will be emailed to all EBP members in advance of the EBP meeting where the forum will be invited to express their views on the budget.

## **7.Sustainability Impact Appraisal**

- 7.1 Any sustainability impacts will be considered before final decisions are taken on whether to implement each proposal. All capital budget proposals are required to set out how the proposal contributes towards carbon emission reduction.

## **8. Risk Management**

- 8.1 It is important that spending is contained within budget so that the Council can maintain its financial standing in the face of further pressure on resources in 2020/21 and beyond. The most immediate risk to the budget process is non-delivery of the approved savings for 2019/20 and placement pressures in Adults' and

Children's Social Care, which are mitigated by spend controls, transformational cost reduction programmes and close monitoring by Strategic Leadership Team and by the Leader and the Portfolio holders for Finance and Leisure, Health & Adult Services and Schools and Children's Services.

- 8.2 The Council's Medium Term Financial Strategy is continually under review and builds in projections for the MTFS period (2020/21 – 2023/24 and beyond) as further details and analysis become available. These updates are regularly reviewed by Strategic Leadership Team and the Portfolio Holder and updates on the financial environment the Council is operating in are provided in Budget Strategy reports to Cabinet.

## **9. Community Safety**

- 9.1 Any community safety implications will be considered before final decisions are taken on whether or not to implement each proposal.

## **10. Links to Strategic Objectives**

- 10.1 The Council's medium-term financial strategy, budgets and capital programme are designed to deliver the Council's strategic priorities. The budget set for 2020/21 will address the delivery of national and local priorities

## **11. Equalities, Human Rights and Community Cohesion**

- 11.1 In regard to equalities and human rights considerations S 149 Equality Act 2010 requires public authorities to have due regard to the need to:

(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by the Act;

(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

- 11.2 The protected characteristics are: age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation.

- 11.3 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

(a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;

(b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;

(c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such

persons is disproportionately low.

- 11.4 The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.
- 11.5 Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
  - (a) tackle prejudice; and
  - (b) promote understanding
- 11.6 Compliance with the duties in S149 may involve treating some persons more favourably than others; but that is not to be taken as permitting conduct that would otherwise be prohibited under the Act. The Council's equality analysis assessment toolkit supports this approach.
- 11.7 The Human Rights Act 1998 makes it unlawful for public authorities to act in a way that is incompatible with a Convention right. Anyone who feels that a public authority has acted incompatibly with their Convention rights can raise this before an appropriate UK court or tribunal.
- 11.8 The Human Rights Act protects a person from discrimination in the enjoyment of those human rights protected by the European Convention of Human Rights. These rights include the absolute right not to be subject to inhuman or degrading treatment, the right to respect for their private and family life, their home and their correspondence, which may only be restricted only in specified circumstances and the right to hold a broad range of views, beliefs and thoughts, and to follow a religious faith. The right to manifest those beliefs may be limited only in specified circumstances.
- 11.9 Discrimination occurs when a person is treated less favourably than another person in a similar situation and this treatment cannot be objectively and reasonably justified.
- 11.10 The Human Rights Act prohibits discrimination on a wide range of grounds including 'sex, race, colour, language, religion, political or other opinion, national or social origin, association with a national minority, property, birth or other status'.
- 11.11 The case law relating to this right has shown that the term 'other status' includes, among other things, sexual orientation, illegitimacy, marital status, trade union membership, trans-sexualism and imprisonment. It can also be used to challenge discrimination on the basis of age or disability.
- 11.12 Budget proposals have been developed in line with the principles set above, including the need to protect elderly, disabled, children and young people who are the most vulnerable residents of the borough.
- 11.13 Implementation of each of the proposals will follow the Councils processes, policies and local terms and conditions to ensure fair selection, assimilation and recruitment and to ensure on-going monitoring of diversity.

## **12. In Regard to the Council's Public Law Duties**

- 12.1 When making decisions the Council must act reasonably and rationally. It must take into account all relevant information and disregard all irrelevant information and consult those affected, taking into account their views before final decisions are made. It must also comply with its legal duties, including those relating to equalities as referred to above. Many proposals will impact upon third parties and where this is the case there may be a requirement for the Council to consult those affected before a final decision is taken on whether to implement the proposal or to amend the proposal prior to implementation.

### **13. Equalities Analysis Assessments (EAAs)**

- 13.1 Where proposals will have equalities implications an EAA is required. If an EAA is required, it will be prepared and taken into account prior to the final decision on whether or not to proceed with the proposal being taken.

### **14. Staffing / Workforce and Accommodation Implications**

- 14.1 Some of the savings proposals have potential staffing implications. Any such proposals are subject to consultation. Detailed proposals affecting staff will be developed in advance of consultation with staff affected by any proposals commencing. However, those proposals may not go ahead or may go ahead in a revised form as an outcome of consultation.

### **15. Property and Assets**

- 15.1 The Capital investment proposals set out in the Budget Strategy report for approval in principle reflect the need to make efficient use of the Council's property and assets at an affordable cost to support the delivery of Council priorities.

### **16. Consultation**

- 16.1 Consultation may be required in relation to some savings proposals. Where this is the case, the consultation will be undertaken in accordance with legal requirements and within a timetable appropriate to the individual circumstances of the proposal in question, including with recognised trade unions and affected individuals. The outcomes from each consultation undertaken will be considered before a final decision is taken on whether or not to proceed with the proposal in question, either as presently proposed or in an amended form.

### **17. Appendices**

Cabinet report (to follow when available)

### **18. Background Information**

Budget Strategy and Council Resolution 2019/20 [Council meeting February 2019](#)

Budget Strategy & MTFS 2020/21 to 2022/23 [Cabinet Meeting December 2019](#)

Budget Strategy & MTFS 2020/21 to 2022/23 [Cabinet Meeting October 2019](#)

Budget Strategy & MTFS 2020/21 to 2022/23 [Cabinet Meeting July 2019](#)

## 19. Consultation

Name of Internal consultee	Department	Date sent to consultee	Date of response	Comments appear in report para:
Ross Brown	Chief Finance Officer			Continuous throughout report
Paul Najsarek	Chief Executive			Continuous throughout report
Helen Harris	Director of Legal and Democratic Services			Continuous throughout report
Judith Finlay Tony Clements	Executive Director			Continuous throughout report
Cllr Bassam Mahfouz	Cabinet Member for Finance and Leisure			Continuous throughout report

### Report History

<b>Decision type: For information and action</b>		Not an urgency item	
Authorised by Cabinet member:	Date report drafted:	Report deadline:	Date report sent:
Report author and contact for queries:	Shabana Kausar (Head of Strategic Finance) 0208 825 7549		