

Your chance to have your say

Barnet Council's general budget consultation 2021/22

21 December 2020 – 18 January 2021

Consultation document



Introduction

We are living in unprecedented times. Since March, we have faced the biggest public health emergency in living memory. Families, businesses and communities have worked together to support each other, and the council has played a vital role in protecting lives and livelihoods.

We need to do all we can to avoid further waves of this terrible virus. At the same time, we know the best way to manage a crisis is not just to deal with it but look beyond it. For this reason, we are working on plans to recover from the pandemic.

Against this backdrop we must ensure our budget for the future is balanced. All local authorities are legally

required to set a balanced budget every year and ensure they have enough money to deliver services to their residents and businesses.

In Barnet, to balance our budget for next year (2021/22), we have developed a set of proposals to save money or generate income that we would like your views on.

How to have your say

The consultation is open to all Barnet residents, and also residents who live outside the borough and use our services, businesses, and community and interest groups.

There are two ways you can give your feedback:

- complete a questionnaire online at:
engage.barnet.gov.uk
- complete a paper questionnaire.

If you would like a paper questionnaire or a copy of the consultation in another format, please email

budgetconsultation@barnet.gov.uk

or call **020 8359 7016**.

The consultation is open from
21 December 2020 to 18 January 2021.

The general budget consultation is in addition to service-specific consultations which have already happened or will happen in the next few months, and will offer you the opportunity to comment in detail on specific proposals for 2021/22.

You can find more information about all our consultations at **engage.barnet.gov.uk**



Background:

Our financial challenge to 2024/25

We have always taken a long-term and proactive approach to financial planning in difficult circumstances. We have saved over £193million between 2010 and 2020 and protected frontline services as far as possible. However, with the challenges presented by the COVID-19 pandemic this year, reduced funding and increases in the demand and cost of services, the next few years still present further challenges.

The last nine months have been unprecedented. The impact of the global coronavirus pandemic has been felt in every home, business and community in our borough. Responding to the pandemic has dominated council activity. In March the council moved to the delivery of essential services only, establishing new services and processes to provide support to the most vulnerable people in our community, as well as residents and businesses. Over time the council has been able to restore services. The financial impact of COVID-19 has been significant, but to date these costs have been funded by the Government and so there is no anticipated impact on the council's underlying finances.

The budget for 2021/22 has been drawn up to include some further costs due to the pandemic, which are also funded by the Government. The savings proposals set out in this consultation document do not affect our ability to respond to the pandemic. They relate only to the ongoing operations of the council.

Our five-year financial plan – known as the Medium-Term Financial Strategy (MTFS) – shows that we still face an anticipated budget gap of just over £55million to 2024/25 (excluding money for schools and local housing). This includes a budget gap of £14million for 2021/22.



Our response to COVID-19 in numbers

We remain focused on continuing to deliver high quality services and meeting our residents' expectations despite the challenges presented by COVID-19 and the challenging financial position. Barnet has the biggest population of any London borough. We supply services to nearly 400,000 residents, from street gritting to social care.

From the start of lockdown on 23 March, we have continued to provide our core services as well as essential support and relief to those most affected by the outbreak. The COVID-19 pandemic has been the biggest challenge faced by our communities and the council in living memory. The community has been at the forefront of the response and all sections of society have played their part. The council has also played its part, including the following:

8,854 urgent phone calls and
4,275 emails
asking for help answered



12.8m bin
collections



27,339
householders given
Council Tax
payment
support



14,700 food parcels and **700**
hygiene parcels dispatched to most
vulnerable

(up to & inc. 31 July)



4,341 local businesses awarded



£67.8m in grants



850 households
at risk
placed in
temporary safe
accommodation



STAY SAFE

5,174 'triage' calls made and
19,708 text messages
sent to
shielded
individuals

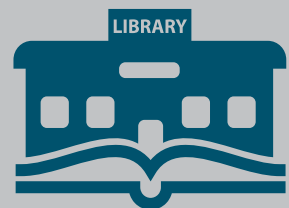


All schools opened from June for

9,000 pupils from target
year groups

678 laptops provided to
vulnerable pupils

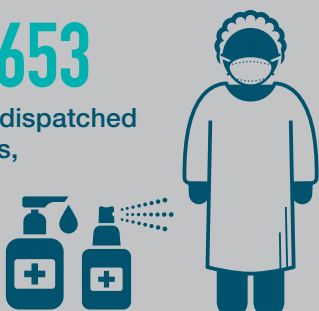
71 laptops delivered to
disadvantaged Year 10 pupils



323,347

e-books, e-audio
books, and
e-newspapers
loaned by Libraries

2,442,653
items of PPE dispatched
to care homes,
home carers,
and schools



866 volunteers . We have also enlisted
150 COVID-19 Health Champions
enlisted via Community Help Hub



We remain ambitious for the borough

Despite the financial and COVID-19 challenges we remain ambitious for the borough. We want to create successful places, achieve great outcomes, deliver quality services and develop resilient communities.

We are proud to be a green, family friendly place to live, but we are also a growing borough with ambitious plans for development. We will work to ensure that residents benefit from this growth and continue to receive high quality services from a well-run, responsive council.

In the coming year we intend to build on the successes of the Corporate Plan, placing a particular emphasis on ensuring that:

- Barnet remains a family friendly borough and a great place to bring up children



- We create opportunities for residents to live independent, active and healthy lives



- The benefits of the growth in the borough are shared with all residents and create positive outcomes for the whole community



- The council is well run and easy to deal with.



Our budget proposals for 2021/22

To balance our budget for next year (2021/22) we have developed a set of proposals to save money or generate income that we would like your views on.

Not all of our proposed savings will directly impact residents. Wherever possible we will limit the impact on frontline services, for example in identifying further efficiencies, and opportunities to generate income and grow the local economy. Separate service-specific consultations on changes that will impact on residents have either already taken place, or will take place over the next few months, giving you an opportunity to comment on the detailed savings proposals.

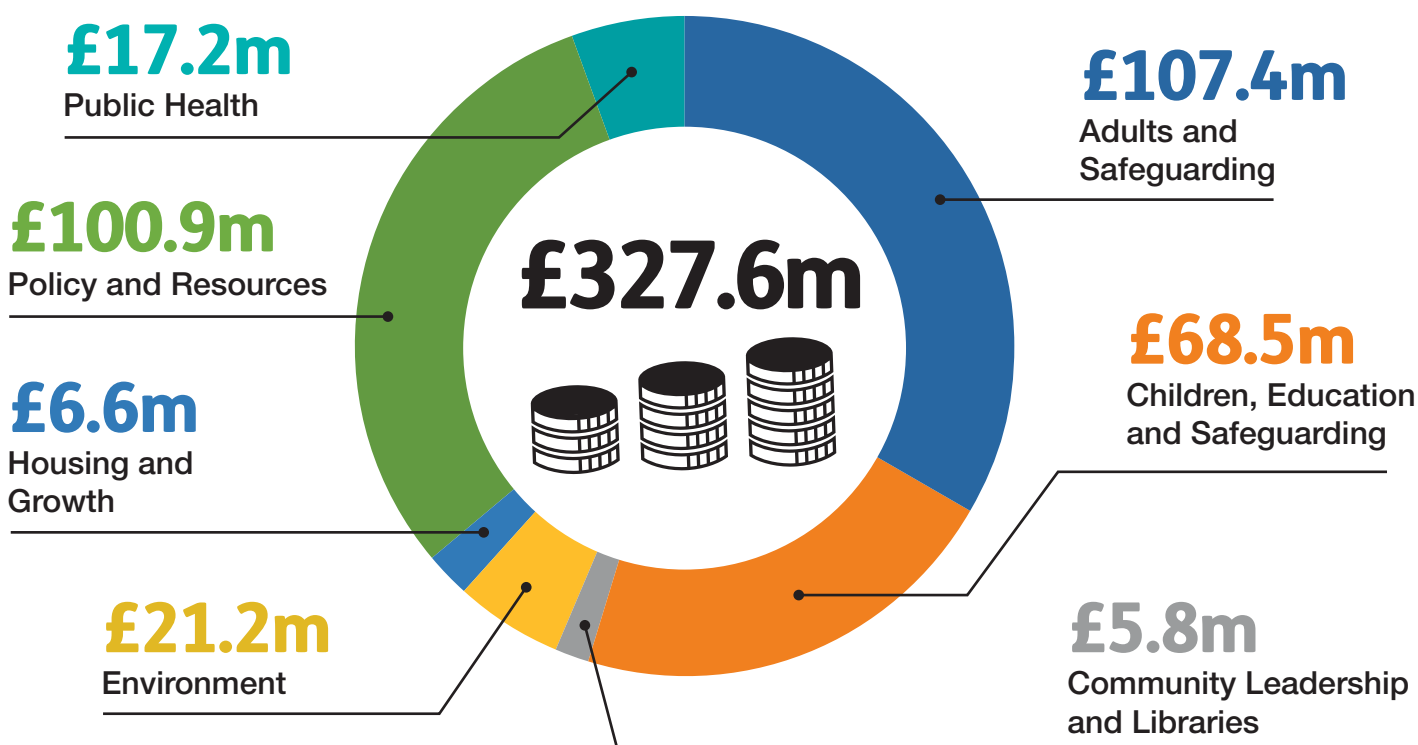
The council's estimated 2021/22 budget by Theme Committee – £327.6million

Our budget is divided across our six committees which are themed by the types of services they deliver to our residents, businesses, and communities. Further information on the responsibilities of each Theme Committee is provided here.

The chart below shows how much we are planning to spend next year in 2021/22 by each Theme Committee. These figures include our savings and income generation proposals put forward by

each Theme Committee for 2021/22 to help close the budget gap of £14million. They also include additional funding to support service pressures including demographic growth and investment in services to deliver better value for money.

A large proportion of our budget is spent on looking after children and vulnerable adults, providing education, and housing benefit payments¹.



¹ Housing Benefit is the responsibility of Policy and Resources Committee

How much we are saving within each Theme Committee

The table below shows our proposed 2021/22 budget compared to 2020/21 by each Theme Committee in terms of:

- how much we spent in the previous financial year, 2020/21
- budget pressures due to growth for operational and COVID-19 related pressures for 2021/22
- the savings and income generation we are proposing for 2021/22
- how much we are estimating to spend in 2021/22, after including the savings and income generation proposals put forward by each Theme Committee

	The Current Year's Approved Budget for 2020/21	Growth for Operational and Covid Related Pressures for 2021/22	Our Savings and Income Generation Proposals for 2021/22	How much we are estimating to spend in 2021/22 after savings and income generations have included
Theme Committee	(£million)	(£million)	(£million)	(£million)
Adults and Safeguarding Committee	102.4	4.7	(1.7)	107.4
Children, Education and Safeguarding Committee	65.9	5.3	(2.8)	68.5
Community Leadership and Libraries Committee	5.8	0.2	(0.2)	5.8
Environment Committee	16.5	6.2	(1.5)	21.2
Housing and Growth Committee	8.1	2.2	(3.7)	6.6
Policy and Resources Committee	93.3	8.6	(1.0)	100.9
Public Health	17.6	0.0	(0.4)	17.2
Total	309.5	27.2	(11.2)	327.6

Theme Committee savings and income generation proposals in detail

Further details of the Theme Committee 2021/22 savings and income generation proposals can be found in here.

Council Tax proposals for 2021/22

Our proposal to increase general Council Tax by 1.99%

We have worked hard to keep any increase to a minimum and in the last nine years we have only increased general Council Tax twice. Every 1% increase in Council Tax generates approximately **£1.9million** of income to the council. This additional money has helped protect vital services.

Whilst increasing Council Tax supports front line services, it does not fully meet the increasing costs of services.

For context, the Institute for Fiscal Studies found that

“Even if Council Tax is increased by 4% a year until 2024-25, Council Tax revenue will lag far behind the cost of providing key services, such as adult social care”.

Given the scale of the financial challenge facing the council, an assumption was made in last year's Medium Term Financial Strategy five-year plan, that we would increase general Council Tax by 1.99% each year, including in 2020/21. This was the limit set by government, above which a referendum would be required. The Government confirmed in their November 2020 Spending Round announcement that local authorities would be able to increase general Council Tax by 1.99% for 2021/22 and so we are therefore proposing this for 2021/22.



Increasing Council Tax by an additional **1.99%** would generate an additional **£3.7million** in **2021/22** for services that support our residents, including vulnerable adults, and children's social care. This would equate to an additional **£25.35** a year in total for a **Band D** property, which is equivalent to **£2.11** a month, or **£2.53** if you pay over 10 monthly instalments.

Not increasing Council Tax would mean not achieving a balanced budget in 2021/22 and we would need to identify further savings from services.

Whilst increasing Council Tax supports front line services, it does not fully meet the increasing costs of services.



Our proposal to apply an Adult Social Care Precept on Council Tax of 3%

The November 2020 Spending Round also extended the ability to apply a 3% Social Care Precept, to help fund the increasing cost pressures that councils are experiencing in relation to the provision of Social Care.

We are therefore proposing to apply a Social Care Precept of 3% to Council Tax.



Applying the social care precept would generate an additional £5.6 million in 2021/22 which would only be spent on Social Care.

This would equate to an additional £38.21 a year in total for a Band D property, which is equivalent to £3.18 a month, or £3.82 if you pay over 10 monthly instalments.

This makes a total increase in Council Tax to 4.99% increase for 2021/22. This would equate to an additional £63.56 a year in total for a Band D property, which is equivalent to £5.30 a month, or £6.36 if you pay over 10 monthly instalments.

Again, not increasing the social care precept would mean not achieving a balanced budget in 2021/22 and we would need to identify further savings from services.

We are seeking your views on:

- to what extent do you agree or disagree with our proposed budget for 2021/22?
- to what extent do you agree or disagree with the savings and income generation proposals that we have identified within each Theme Committee for 2021/22?
- do you support our proposal to increase general Council Tax by 1.99% in 2021/22?
- do you support our proposal to apply an Adult Social Care Precept on Council Tax of 3% in 2021/22?
- do you have any further comments to make about our proposed budget for 2021/22?

If you require the consultation document and questionnaire in an alternative format, or further information:

email: **consultation@barnet.gov.uk**

Tel: **020 8359 7016**

Alternatively, you can write to us at:

Barnet's Budget Consultation 2020/21

Consultation Team, London Borough of Barnet,
2 Bristol Avenue, Colindale, London, NW9 4EL

