



THE LONDON BOROUGH
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DATE: 19 April 2021

COUNCIL

Monday 19 April 2021

4 QUESTIONS (Pages 3 - 10)

The answers to questions submitted for written reply are attached.

Copies of the documents referred to above can be obtained from
<http://cds.bromley.gov.uk/>

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COUNCIL MEETING

19th April 2021

QUESTIONS FROM MEMBERS OF THE PUBLIC FOR WRITTEN REPLY

1. From Tony McPartlan to the Portfolio Holder for Resources, Commissioning and Contract Management

How much has the Council spent on commercial property outside the borough over the last 10 years and what is the current value of this portfolio?

Reply:

The Council has spent £47,690,000 on investment properties outside the Borough over the last 10 years. The Statutory Asset Valuations of 2019/2020 state the value of these investments to be £45,934,187. The 2020/21 Statutory Asset Valuations are currently being undertaken and not yet finalised.

2. From Tony McPartlan to the Portfolio Holder for Resources, Commissioning and Contract Management

What is the decision making process that drives investing in properties outside of the borough, and does the Council think that it may now be better to focus solely on investments within our own borough?

Reply:

The Council's Executive agreed in July 2017 to the following investment criteria which formed the basis of investment property purchases from this date onwards:

- Provides a net investment return of 5%;
- Provides a suitable mix of portfolio to mitigate against risks of "all eggs in one basket" i.e. variation in investment portfolio to cover void risk;
- Ability to sell the asset at a future date within a reasonable turnaround period of less than one year;
- Mitigates against problematic tenancy risks e.g. secured tenancy etc;
- Mitigates against significant repair liabilities which have a downward impact on the investment return i.e. seek full repairing leases from tenants;
- Mitigate against capital value risk – purchase in places where capital values are unlikely to fall in the longer term;

- That opportunities should be explored in economic growth areas as well as the South East. This would be the cities of Manchester and Leeds together with other areas such as Cardiff, Bristol and the Midlands;
- That the lot size should be in excess of £5m;
- That multi-let investment opportunities which provide suitable income protection and covenant should be considered, considering management costs.

However, any decision to purchase is made by the Council's Executive. The last investment purchased outside of the Borough was in 2017 and since then, we have not sought, and are not intending, to purchase any other investment properties of this nature.

COUNCIL MEETING

1st March 2021

QUESTIONS FROM MEMBERS OF THE COUNCIL FOR WRITTEN REPLY

1. From Cllr Ian Dunn to the Portfolio Holder for Renewal, Recreation & Housing

What % of rough sleepers have been:-

- a) allocated long term accommodation
- b) are in Temporary Accommodation
- c) are homeless?

Reply:

Of a total of 94 rough sleepers, 64% (61) have been allocated long term accommodation, 7% (6) are in temporary accommodation and 1% (1) are homeless (accommodation has been offered and refused.) A further 28% (26) were assisted to access former accommodation or secure accommodation directly.

2. From Cllr Ian Dunn to the Portfolio Holder for Environment & Community Services

Please provide the total number of Permits for Road & Street works granted to Utility Companies for the last three years, broken down by year, with the number of Permits where the Utility Company overran the time specified on the permit.

Reply:Total Permits

2018-2019 - 25,911

2019-2020 - 23,181

2020-2021 - 19,795

Total Overruns (Section 74)

2018-2019 - 59

2019-2020 - 74

2020-2021 - 38

3. From Cllr Angela Wilkins to the Portfolio Holder for Renewal, Recreation & Housing

Please provide details of the criteria by which all discretionary COVID grant applications are being determined, along with details of where such were scrutinised by councillors.

Reply:

There have essentially been 2 types of Covid business grants available, mandatory and discretionary grants. The mandatory grants are those grants where criteria, including thresholds are set by central government and the Council facilitate payments; the discretionary grants are those where the Council has received funds to direct to the local economy and local businesses as appropriate. Typically the discretionary grants come with government guidelines, and then have an element of discretion the Council can apply. All schemes have been subject to reports, and wherever possible and time has allowed engagement with the business community. The Council have taken the approach to 'stretch' grants as far as possible and support businesses that have missed out on other payments such as the self-employment scheme, or mandatory grants.

The first tranche of discretionary business grant funding was received in May 2020. The amount received to be used for a discretionary grant scheme was £2,402,500. Report HPR2020/011 went to Pre-Decision Scrutiny by Executive, Resources and Contracts PDS Committee on 27 May 2020 and with a recommendation for approval by the Leader and that deferred authority for "limited discretion" be given to the Director of Housing, Planning, Property and Regeneration to make minor changes to the approach once additional technical guidance had been given by the Government.

At the time of the report the Government recommended targeting the following businesses for grant assistance: small businesses in shared offices or flexible workspaces (including units in larger complexes), regular market traders with fixed property costs, bed and breakfasts that pay Council tax instead of business rates and charity properties in receipt of charitable rate relief. The report also recommended including park cafes as they had missed out on previous grants as they do not pay business rates which was used to identify eligibility.

Following approval of this report a discretionary business grant was created which was called the Local Economy Business Grant. The eligibility for this grant had 3 sections: Government Mandatory Eligibility Criteria, General Eligibility Criteria and Local Eligibility Criteria. The details of the criteria were as follows:

Government Mandatory Eligibility Criteria

1. Have been trading on 11 March 2020
2. Not be in administration, insolvent or in receipt of a striking off notice
3. Not be eligible for or in receipt of a cash grant from a central government COVID-19 related scheme, including: Small Business Grant, Retail Hospitality or Leisure Grant, Fisheries Response Fund, Domestic Seafood Supply Scheme Zoos Support Fund Dairy Hardship Fund.

General Eligibility Criteria

1. The business must be a small or micro business.
2. As a result of COVID-19, the business must have sustained a fall in income of 50% or more.

Local Eligibility Criteria

1. 25% or more of your business's employees are resident in the London Borough of Bromley.
2. Business has an annual turnover of under £2m.
3. Business has an active apprenticeship or salaried internship scheme
4. If business is a charity, your charity provides direct benefit to the residents of the borough.
5. The business's main premises is in one of the borough's Renewal Areas or a Strategic Outer London Development Centre as defined in the Local Plan.
6. State Aid. Must confirm that in receiving a grant you are in compliance with State aid rules.

Second Tranche Autumn 2020

The second tranche of discretionary business grants was received in November 2020 and was for the amount of £6,646,720, referred to as Additional Restrictions Grant, which when initially announced the Council was informed would be the only payment of discretionary grant until March 2022. Given further restrictions were then announced this sum was then 'topped up' by the Government with an additional payment in February 2020 of £2,952,158.

Following engagement with the business community, including an online questionnaire, Report no. HPR2021/55 went for Pre-Decision Scrutiny by the Executive, Resources & Contracts PDS Committee 6 January 2021 and was approved by the Executive on 13 January 2021. This report set out details for the Bromley Additional Restrictions Grant Phase 1. This comprised the following schemes: Online Enterprise Hub, Business Hardship Fund, Innovation Grants scheme, Lockdown Top-up Grant and an independent Public House and clubs grant. A third report no. HPR2021/015 for recommendations for allocating ARG grant spending was circulated For Pre-Decision Scrutiny by the Renewal, Recreation and Housing PDS Committee on 15 March 2021 and given the need to support businesses quickly, was taken for Leader's decision. The approved report recommended an additional top up £1.5m with the potential to increase this to £2m with Director approval in conjunction with the Portfolio Holder through reallocating underspends not claimed on other schemes. Other schemes approved included the following:

- Grant for One Person, Home Based businesses (self Employed or Sole Directors)
- Grants to support businesses with Special Treatment License Holders
- Grants to support businesses with Pavement Licenses, trading outside
- Community Swimming Facilities

- Grants for Cultural Recovery
- Mandatory Grants Support – to support those grants where mandatory deadlines have just been missed.

4. From Cllr Angela Wilkins to the Leader of the Council

Please provide details of funding provided by the Mayor of London to Bromley since his election in 2016. Please also provide details of cuts to funding from central government over the same period.

Reply:

The Mayor of London has charged this Council a net £181.9m since his first budget in 2017/18.

The Government has reduced funding to this Council by £15.6m over the same period.

A table detailing the breakdown of both is appended for reference. (Appendix 1)

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Appendix 1 – Question 4

GLA Funding Per Year £'000					
	<i>Cime Prevention and Property Inspections.</i>	<i>Adult Education / Youth Offending</i>	<i>Transport for London</i>	<i>GLA Precept Paid</i>	Total
2017/18	385	0	4,429	-35,143	-30,329
2018/19	406	0	3,008	-37,352	-33,938
2019/20	397	1,029	4,717	-41,134	-34,991
2020/21	445	1,692	2,818	-42,812	-37,857
2021/22*	445	1,630	<i>Not known</i>	-46,884	-44,809
Total	2,078	4,351	14,972	-203,325	-181,924

Central Gov Funding £'000		
<i>Loss of Core Grant</i>	<i>Other Grant Reductions</i>	Total
9,620	508	10,128
5,400	2,607	8,007
3,600	-3,033	567
-616	-1,685	-2,301
-448	-271	-719
17,556	-1,874	15,682

*2021/22 - include budgeted/projected figures where available

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