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DATE: 10 October 2012

To: Members of the
EXECUTIVE

Councillor Stephen Carr (Chairman)

Councillors Graham Arthur, Robert Evans, Peter Morgan, Colin Smith, Tim Stevens and Stephen Wells

A meeting of the Executive will be held at Bromley Civic Centre on **WEDNESDAY 24 OCTOBER 2012 AT 7.00 PM**

MARK BOWEN
Director of Resources

Copies of the documents referred to below can be obtained from
www.bromley.gov.uk/meetings

A G E N D A

1 APOLOGIES FOR ABSENCE

2 DECLARATIONS OF INTEREST

3 MINUTES (Pages 5 - 22)

a) To confirm the minutes of the meeting held on 12th September 2012, excluding exempt information.

b) Matters arising Report

4 QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING

In accordance with the Council's Constitution, questions to this Committee must be received in writing 4 working days before the date of the meeting. Therefore please ensure questions are received by the Democratic Services Team by 5pm on Thursday, 18th October 2012.

5 CAPITAL PROGRAMME MONITORING - 2ND QUARTER 2012/13 (Pages 23 - 32)

- 6 **DRAW DOWN OF FUNDING FOR BROMLEY SEN AND DISABILITY PATHFINDER FUNDING** (Pages 33 - 40)
- 7 **PROCUREMENT STRATEGY FOR MULTI DISCIPLINARY CONSULTANCY SERVICES FOR CAPITAL BUILDING PROGRAMME** (Pages 41 - 48)
- 8 **APPROVAL OF PROCUREMENT STRATEGY AND OUTLINE PROPOSAL FOR SCHEME AT RIVERSIDE SPECIAL SCHOOL** (Pages 49 - 58)
- 9 **REPORT OF THE CONSTITUTION WORKING GROUP** (Pages 59 - 76)
- 10 **CONSIDERATION OF ANY OTHER ISSUES REFERRED FROM THE EXECUTIVE AND RESOURCES POLICY DEVELOPMENT AND SCRUTINY COMMITTEE**
- 11 **LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006 AND THE FREEDOM OF INFORMATION ACT 2000**

The Chairman to move that the Press and public be excluded during consideration of the items of business listed below as it is likely in view of the nature of the business to be transacted or the nature of the proceedings that if members of the Press and public were present there would be disclosure to them of exempt information.

Items of Business

Schedule 12A Description

- | | | |
|----|--|---|
| 12 | EXEMPT MINUTES OF THE MEETING HELD ON 12TH SEPTEMBER 2012 (Pages 77 - 78) | |
| 13 | GATEWAY REVIEW OF TENANCY SUPPORT SERVICES (Pages 79 - 84) | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |
| 14 | AWARD OF CONTRACT: LEARNING DISABILITY SERVICES FRAMEWORK (Pages 85 - 90) | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |
| 15 | RESIDENTIAL AND NURSING HOME CONTRACTS FOR OLDER PEOPLE (Pages 91 - 96) | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |
| 16 | ASSET MANAGEMENT PLANNING - POST REVIEW REPORTS BIGGIN HILL LIBRARY AND SWIMMING POOL AND THE PAVILION DEVELOPMENT (Pages 97 - 106) | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |

**17 CHURCHILL PLACE, BROMLEY
(OPPORTUNITY SITE G) - PROCUREMENT
UPDATE (Pages 107 - 116)**

Information relating to the financial or business affairs of any particular person (including the authority holding that information)

18 CAPITAL RECEIPTS (Pages 117 - 118)

Information relating to the financial or business affairs of any particular person (including the authority holding that information)

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EXECUTIVE

Minutes of the meeting held on 12 September 2012 starting at 7.00 pm

Present:

Councillor Stephen Carr (Chairman)
Councillors Graham Arthur, Robert Evans, Peter Morgan,
Tim Stevens and Stephen Wells

Also Present:

Councillor Nicholas Bennett J.P., Councillor Eric Bosshard,
Councillor Peter Fookes, Councillor Russell Mellor and
Councillor Richard Scoates

49 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Colin Smith.

50 DECLARATIONS OF INTEREST

There were no declarations of interest reported.

51 MINUTES

a) Minutes of the previous meeting

RESOLVED that the Minutes of the meeting held on 25th July 2012, excluding exempt information, be confirmed.

b) Matters Arising report

Reference was made to Opportunity Site G, High Street, Bromley Churchill Place (Minute 192/1 – 23rd May 2012 refers) the closing date for expressions of interest had now passed (7th September 2012) and an updating report would be submitted to the Executive' meeting in October.

Concerning the Biggin Hill Heritage Centre (Minute 33 – 25th July 2012 refers) the Director of Renewal and Recreation reported that further meetings were being held with the Trust representatives and a progress report would be submitted to the Executive's October meeting.

In respect of the Council Tax Report to the last meeting, the Leader advised that letters had been sent again to the government and MPs and acknowledgements had been received (Minute 35 – 25th July 2012 refers).

RESOLVED that the report be noted.

52 QUESTIONS FROM MEMBERS OF THE PUBLIC

No questions had been received.

53 ACTIVE CITIZENS WORKING GROUP REPORT

Report RES12145

The Active Citizens Working Group was established by the Executive and Resources PDS Committee on 10th January 2012 against the backdrop of the government's proposals called the 'Big Society'. Its remit was to evaluate the current local provision on voluntary service contributions and national and local developments to identify ways that the Council could better create and market opportunities for local people to become involved in shaping and delivering services to achieve involvement and improvement and greater efficiency and effectiveness. The Working Group, under the Chairmanship of Councillor Richard Scoates, decided that the title 'Active Citizens' better described local arrangements and had submitted its report which included 13 recommendations to the Executive and Resources PDS Committee on 18th July 2012. The proposals had been endorsed by the PDS Committee and referred to the Executive for its consideration.

Councillor Scoates attended the meeting to introduce the report and drew attention to the strong ethos already in the Borough in respect of volunteering with some 2190 voluntary organisations offering differing levels of support. He advised that the aims of the proposals were not just around volunteers but also those who needed voluntary help and drew attention to various examples of schemes operating in other areas. A key element was the need for good 'signposting' and one way of addressing this was to use social media and technology. Westminster City Council had set up a 'Community map' facility to advertise opportunities for volunteers. Included in the recommendations was the proposal that Bromley adopt a similar styled community map to indicate the full extent of volunteering activity in an individual's local area. The Council would be acting as a facilitator in pulling together volunteers and voluntary groups as well as involving existing volunteering networks in a more creative way. He thought that the involvement of the New Technology Working Group could be helpful in the recommendations concerning using social media.

The Chairman thanked Councillor Scoates and the members of the Working Party for their report and commented on encouraging community spirit and what individuals and groups in the local area could achieve as for example with the Friends of Parks and Snow Friends groups which had proved so successful. He had some reservations on the proposals concerning use of social media and felt there should be clear guidelines. Other members also referred to the fact that the Council already used Facebook and Twitter and it was about improving what was already there. Councillor Evans had doubts about the use of a Community Charter and felt that if people had to sign a charter then it lost its voluntary aspect. Councillor Scoates agreed and advised that this had not been included in the recommendations. Members

also discussed the need to involve young people in the process, particularly as many volunteers tended to be in the older/retired age range. Councillor Arthur spoke about the importance of involving schools and the Youth Council in engaging with young people to volunteer. The Executive expressed general support for the proposals but wanted to see further work done in respect of the social media recommendations. The Chairman advised concerning the cost implications that these needed to be carefully assessed and whilst some funding might be forthcoming from the community fund such initiatives would need to be considered on a case by case basis in line with the Council's overall priorities. The Chief Executive was requested to look further at the proposals and how matters could be progressed building on what the Council was already doing.

RESOLVED that approval be given in principle to the recommendations with the exception of recommendations 2 d) and e), the implications of which should be examined further in conjunction with the New Technology Working Group, and Officers consider how to progress the remaining recommendations and come back with detailed proposals as to their implementation.

54 BUSINESS IMPROVEMENT DISTRICT PROPOSAL FOR ORPINGTON

Report DRR12/106

The Renewal and Recreation PDS Committee on 10th July 2012 had discussed an initial draft Proposal for the submission of a Business Improvement Districts (BIDs) for Orpington. The Committee had endorsed the emerging themes of the Proposal and the timescales for progressing towards a formal ballot of businesses taking place in February 2013. Since July the Proposal had been refined into a draft document setting out what would be delivered to businesses in the BID area, what services would be provided, how it would be funded and how the BID process would operate. The formal approval of the Executive was now being sought to the Orpington BID Proposal, the arrangements for the ballot and the establishment of the BID Company.

The Director of Renewal and Recreation introduced the report and referred to the statutory process that was required to be followed including the formation of the legal body, Orpington First Ltd to take forward the ballot and eventually Town Centre Management. If successful the present arrangements for a Council funded Orpington Town Centre Manger would not be required. The intention was that if the Orpington BIDs Proposal was successful then the same process would be rolled out to other Town Centres with the effect that Council run Town Centre Management would cease altogether from 2014. The Portfolio Holder for Renewal and Recreation spoke in support of the BIDs proposal and the benefits to Orpington Town Centre. Members discussed the financial implications for the Council which were mainly the liability to pay the BID levy on Council-occupied properties located in the BID area. It was emphasised that the Council as landlord would not be required to pay

additional levy on The Walnuts as it was the individual tenants who paid the levy. Councillor Evans asked about the Council's responsibilities in relation to the BIDs Proposal where reference was made to options for free parking periods, a waste management service and employment of a Team of Rangers in Orpington. The Director explained that these were aspirations that the new company were hoping to introduce but that would be their responsibility to make a good business case for and raise the appropriate finance. He commented that the concept behind the Team of Rangers was for them to act as guides providing information to visitors and would not be a security based project. The Public Protection and Safety Portfolio Holder referred to the previous arrangement by The Glades Management in Bromley who had funded for a while 2 additional Town Centre PCSOs and that this could be a future option for the BIDs Company to consider.

The Chairman referred to the fact that no Ward Members comments had been received according to the report and asked the Officers to ensure that all Ward Members were adequately briefed over the proposals.

RESOLVED that

- 1) the draft Orpington BID Proposal document (Appendix C of the report), incorporating a map to define the proposed BID area be noted;**
- 2) the Council's Ballot Holder be instructed to hold a ballot in February 2013, according to the Business Improvement District Regulations (England) 2004, being satisfied that the BID Proposal does not conflict with any of the Council's priorities and plans, and that its geographic scope is within the boundaries of the London Borough of Bromley;**
- 3) the Portfolio Holder for Renewal and Recreation nominate an officer to vote 'Yes' on behalf of the Council;**
- 4) subject to a BID 'yes' vote, the Director of Resources be authorised to enter into all legal agreements necessary to establish and operate the BID, and that the agreements ensure that the BID company acts at all times in the best interests of the Town Centre;**
- 5) approval be given for the Council to pass ownership of the Christmas Lights and associated infrastructure to the Orpington 1st BID Company, as explained in paragraph 3.13 of the report; and**
- 6) approval be given in principle for the BID to take over the running of the public Toilets in the Walnuts Square, and agreement be give for a contribution to be made of up to £5k to the BID in respect of running costs, as set out in paragraph 3.14 of the report, should a formal request be submitted.**

55 BUDGET MONITORING 2012/13

Report RES12141

Consideration was given to the second budget monitoring report for 2012/13 based on expenditure and activity levels up to July 2012. The report also highlighted any significant variations which would impact on future years as well as any early warnings that could impact on the final year end position. Members noted that it was still fairly early in the financial year but vigilance needed to be maintained to ensure budgets were kept in check.

RESOLVED that

- 1) the latest financial position be noted and that a projected net underspend of £1,434k is forecast based on information as at July 2012 consisting of a £1,416k net underspend on services and additional council tax freeze grant income of £18k;**
- 2) a projected reduction to the General Fund balance of £116k made up of £1,434k underspends referred to in (1) above, and carry forwards of £1,550k funded from underspends in 2011/12 be noted;**
- 3) the comments from the Director of Renewal and Recreation and the Education and Care Services Management Team detailed in sections 3.2 and 3.3 of the report be noted;**
- 4) the allocation of the Council Tax Support grant of £84k from the Central Contingency to the Resources Portfolio as detailed in section 3.4.3 of the report be agreed;**
- 5) the early warning detailed in section 3.11.1 of the report be noted; and**
- 6) Portfolio Holders and Senior Officers be reminded of the need to ensure expenditure is kept within budgets.**

56 OUTCOME OF OFSTED INSPECTION OF LOCAL AUTHORITY ARRANGEMENTS FOR THE PROTECTION OF CHILDREN

Report ED12032

The Chairman advised members that he had asked for this report to come to the Executive because of the importance the Council placed on its responsibilities for safeguarding children. The report detailed the outcome of an unannounced inspection by Ofsted carried out over 8 days in July of the local authority's arrangements for the protection of children. This was a new inspection framework setting a more robust benchmark in the assessment of child protection services by examining evidence of the impact of the help given to children and their families. Bromley was only the third in the country, and the first in London, to be inspected under the new framework. The

Inspection outcome concluded that Bromley had been judged as adequate against all four areas examined. The full report of the Inspection was published on 17th August 2012 and had listed areas for improvement either immediately, within 3 months or within 6 months. A detailed Action Plan had been developed to address the improvement areas identified for immediate action or within 3 months and was appended to the report.

The Portfolio Holder for Care Services advised that he found the Inspectors comments very encouraging particularly regarding the interim arrangements in place following the establishment of the new Education & Care Services Department and whilst action was being taken to recruit a new Director. He thanked the Chief Executive and Senior Officers in the department for their work in ensuring that the statutory functions were discharged clearly and effectively. The high priority that Council Members gave to children's services including the appointment of a Children's Champion (Councillor Pauline Tunnicliffe) had also been highlighted in the Inspectors report. Councillor Evans commented that the term 'adequate' was used by Ofsted and did not really convey how well the department had done especially in light of the more rigorous Inspection regime now in operation. The Chief Executive advised that the new Director, Terry Parkin, would take up his duties on 29th October 2012.

RESOLVED that the report be noted.

57 SUPPORTING PEOPLE SERVICES JOINT FRAMEWORK AGREEMENT

Report CS12031

The Executive considered a report seeking approval for Bromley to join a new Joint Framework Agreement being set up by Lewisham and Southwark London Boroughs from 1st April 2014 for supporting people services. Bromley had already been participating in a framework agreement for Supporting People Services as a secondary authority since 2010 but this framework was due to expire on 31st March 2014. Members were advised that use of this framework had proved extremely beneficial as it had enabled the Council to call off contracts with relatively little additional procurement activity, yet had also made it possible to achieve £264k ongoing annual revenue savings on contracts let using the framework. In addition the pricing information had provided a useful benchmark that could be used in contract negotiations outside of the framework. The one off cost of joining was £10k but as it could be used to place contracts with an annual value of £1.5m which was why it had come to the Executive.

The proposals had been scrutinised by the Care Services PDS Committee at its meeting on 4th September 2012 who had agreed with the recommendations. The Portfolio Holder for Care Services speaking in support of the proposals referred to the savings that had been achieved using this process.

RESOLVED that approval be given for Bromley to join the contract framework agreement for Supporting People Services which is being set up jointly by the London Boroughs of Southwark and Lewisham for a one off cost of £10k.

58 OFFICE ACCOMMODATION STRATEGY

Report DRR 12/107

Consideration was given to a report seeking approval to a supplementary capital allocation of £400,000 to cover the additional costs identified following a review of the capital project costs and assessment of the forecast outturn costs against the original budget heads previously reported to the Executive (Minute 124 08.12.10 refers). The programme of works that had been agreed had increased the office space available in the North Block and St Blaise and allowed for the vacation of the Old Town Hall, Exchequer House, Joseph Lancaster and Ann Springman properties. Members were advised that action had been taken where possible to contain the costs within the original capital programme but it became clear that there was likely to be a much greater variation than originally anticipated. A number of budget heads had been identified where the predicted variation was significantly different from the original budget costs and these were detailed in the report.

Members noted that the Executive and Resources PDS Committee when pre-scrutinising the report at its meeting the week before had been very critical of the situation. The Director of Renewal and Recreation circulated at the Executive meeting a list of Key Dates starting from when authority was given to proceed with the works back in December 2010 as requested by the PDS Committee. The Chairman of the PDS Committee advised that there were two issues of concern a) that the project management of the programme of works had not been done as professionally as it should have; and b) it had taken too long to alert the Leader and Executive of the cost overrun. The Chairman stated that he accepted the concerns raised and that the Audit Sub-Committee had been requested to fully investigate the situation and make any necessary recommendations. The Chief Executive accepted that the PDS Committee did not have all the information before it and a full forensic investigation would be carried out and reported to the Sub-Committee. Various other members also expressed their concerns including the Portfolio Holder for Renewal and Recreation who hoped that lessons had been learnt for the future so that any major project had proper qualified consultants.

Councillor Fookes said he was not aware of which services had now moved into the North Block and the Chief Executive undertook to circulate updating information to members regarding occupancy of the North Block.

RESOLVED that

1) approval be give for a supplementary capital allocation of £400,000 to ensure the successful completion of the programme of works and reoccupation of the North Block; and

2) the results of the Audit examination of the project overrun and any recommendations arising from this be reported back to the Executive.

59 UPDATE: DRAW DOWN OF FUNDING FOR TACKLING TROUBLED FAMILIES

Report ED129045

The Executive agreed that the above report, which had not been included on the published agenda, be dealt with at this meeting as a matter of urgency on the following grounds – to enable the planned recruitment of 5 key posts to take place in September 2012. These posts were needed to undertake the payment by results outcomes work before the end of March 2013. The successful achievement of payment by results outcomes would secure further funding for the Council in 2013/14. The necessary approval of the Executive was required as the grant for this work was held in the central contingency. The Chairman of the Executive and Resources PDS Committee indicated that he had been made aware of the late report.

The Assistant Director, Safeguarding and Social Care, explained the background to the report. Bromley had been successful in its bid to secure additional ring fenced funding under the Government programme “Tackling Troubled Families” which was a payment by results initiative. For 2012/13 Bromley had received £535,200 which included a contribution to cover – the initial identification of families; the coordination of the programme; and an 80% up front attachment fee in respect of work during year 1 with the 136 families Bromley had committed to work with. In response to a member question the Executive was advised that most of the families identified were already known to the department. Full details were set out in the report on how the programme was progressing and the next stages. The recruitment of the Family Support and Parenting Practitioners was now urgently required so that interventions with the families could begin as the time frame for measuring outcomes was a minimum of six months.

Members in discussing the proposals were generally supportive but wished to be assured about the mechanism for measuring the outcomes and achievements and were advised that the government had not yet clarified how this would be done and was still work in progress. The Portfolio Holder for Resources thought it would be helpful to receive a report in due course on how targets were measured and the outcomes achieved. The Assistant Director agreed to report back on some case studies in respect of families involved with the project. The Chairman also agreed this would be helpful as part of the role of members as corporate parents and commented on the project’s potential links to the Mentoring Scheme which had proved successful.

RESOLVED that

- 1) approval be given to the planned expenditure and the proposal to adopt the existing commissioning process, used by the Bromley Children Project Children and Family Centres; and
- 2) the initial draw down of part of the grant from central contingency totalling £270,121 as detailed in the report be agreed.

60 CONSIDERATION OF ANY OTHER ISSUES REFERRED FROM THE EXECUTIVE AND RESOURCES POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

There were no additional issues to be reported from the Executive and Resources PDS Committee.

61 LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006 AND THE FREEDOM OF INFORMATION ACT 2000

RESOLVED that the Press and public be excluded during the consideration of the items of business referred to below as it is likely in view of the nature of the business to be transacted or the nature of the proceedings that if members of the Press and public were present there would be disclosure to them of exempt information.

*The following summaries
refer to matters
involving exempt information*

62 EXEMPT MINUTES OF THE MEETING HELD ON 25TH JULY 2012

The Exempt minutes of the meeting held on 25th July 2012 were confirmed.

63 AWARD OF CONTRACT FOR MENTAL HEALTH FLEXIBLE SUPPORT SERVICE

The Executive considered a report on the results of the tendering process for the flexible support service for people with mental ill health and agreed the award of the contract as recommended.

Chairman

The Meeting ended at 8.36 pm

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PART 1 - PUBLIC

Decision Maker: EXECUTIVE

Date: 24th October 2012

Decision Type: Non-Urgent Executive Non-Key

Title: MATTERS ARISING FROM PREVIOUS MEETINGS

Contact Officer: Lynn Hill, Democratic Services Officer
Tel: 020 8461 7700 E-mail: lynn.hill@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Resources

Ward: N/A

1. Reason for report

- 1.1 The Executive has adopted a similar style to the PDS Committees of having a report on matters arising on the minutes from previous meetings.
 - 1.2 Appendix 1 updates members on matters arising from previous meetings.
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2. **RECOMMENDATION**

The Executive is invited to consider progress on recommendations made at previous meetings.

Corporate Policy

1. Policy Status: Existing Policy The Executive receives an update on matters arising from previous meetings at each meeting.
 2. BBB Priority: Excellent Council.
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Financial

1. Cost of proposal: No cost
 2. Ongoing costs: N/A.
 3. Budget head/performance centre: Democratic Services
 4. Total current budget for this head: £334,054
 5. Source of funding: Existing 2012/13 budgets
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Staff

1. Number of staff (current and additional): There are 8 posts (7.22 fte) in Democratic Services
 2. If from existing staff resources, number of staff hours: Monitoring the Executive's matters arising takes at most a few hours per meeting.
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Legal

1. Legal Requirement: No statutory requirement or Government guidance.
 2. Call-in: Call-in is not applicable.
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): This report is intended primarily for the benefit of Executive Members.
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.
2. Summary of Ward Councillors comments: N/A

<u>Minute Number/Title</u>	<u>Executive Decision</u>	<u>Update</u>	<u>Action by</u>	<u>Completion Date</u>
16th June 2010				
40 Review of Service Proposals and procurement strategy – Transportation, Highways & Engineering Consultancy Services Contract	Agreed recs and to review the suitability of the arrangements at the end of the trial 18 month period. Report back to Executive.	The Environment PDS Committee on 17 th April 2012 received a progress report and the Portfolio Holder subsequently agreed to continue with the current contract arrangements until November 2013.	Director of Environmental Services	November 2013
20th July 2011				
42 Libraries – Shared Services	Approval given to enter into shared service arrangements with LB Bexley; further work to be done on the development of a Library Trust; and the R&R PH to examine services provided at each library and report back with further proposals.	<p>A report went to the R&R PDS/PH in December 2011 updating Members on the options for establishing a library Trust. It was agreed that given that central government were in the process of amending the baseline for rateable values, the option to establish a trust would not be pursued. It was also agreed that further consultation would be undertaken with existing users of the library service as well as non users in order to inform future options around the delivery of the library service.</p> <p>This consultation was undertaken during the spring of 2012 and the results were reported back to the R&R PDS/PH in July 2012. The results showed considerable public support for Local Libraries.</p>	Director of Renewal and Recreation	
20th July 2011				
43 Norman Park Multi-Hub site	Approval given to continue to develop proposals and a further updating report back to R&R PDS Cttee/ PH; Environment PDS Cttee/PH and Executive.	A report will be going to R&R PDS Committee in November 2012 on the outcome of tendering.	Director of Renewal and Recreation	

<u>Minute Number/Title</u>	<u>Executive Decision</u>	<u>Update</u>	<u>Action by</u>	<u>Completion Date</u>
19th October 2011				
81 Proposed Governance of Crystal Palace Park	Recommendations agreed for the establishment of the Crystal Palace Park Management Board	The Management Board has met on 2 occasions and is due to meet on 24 th October prior to the Community Conference which will be held on 26 th October 2012. A report will come to the Executive in January 2013.	Director of Renewal & Recreation	Updating report to Executive following Community Conference
82 Treasury Management and Annual Investment Strategy - Mid Year Review 2011/12	Agreed to recommend Council to approve the proposed increase in the investment limit for the part-nationalised banks, subject to being implemented after 3 months.	Council agreed on 24 th October 2011:- "That the proposed increase in the investment limit for the part-nationalised banks, Lloyds TSB and the Royal Bank of Scotland, from £40m to £60m be approved, subject to this being potentially implemented after 3 months time and a report back to the Executive." The Finance Director advised at the Executive meeting on 25 th July 2012 this matter would be covered in the Annual Review of the Treasury Management Strategy due to be reported to the Executive & Resources PDS Cttee in the Autumn.	Finance Director	2012
16th November 2011				
98/1 Extension of Waste Management Contract	Agreed recommendations - further report on possible savings in the Waste Service to be submitted back to the Executive.		Director of Environmental Services	

<u>Minute Number/Title</u>	<u>Executive Decision</u>	<u>Update</u>	<u>Action by</u>	<u>Completion Date</u>
14th December 2011				
107 Community Infrastructure Levy – Consultation and Draft Regulations	Proposed response agreed – further report to Executive on preparations of the Bromley CIL.	The Local Development Framework Advisory Panel is overseeing the preparation of the Bromley Local Plan as part of requirements under the National Planning Policy Framework. At the Panel's meeting on 31.05.12 reference was made to the Bromley CIL the details of which would not be agreed until the Local Plan had been confirmed.	Chief Planner	Winter 2013
14th December 2011				
114 Bromley Museum at The Priory, Orpington	Approved re-submission of 1 st stage application to the Heritage Lottery Fund – Regional Board.	The application to be submitted by first week of March 2012. Regional Board meeting to decide 13 th June 2012. See reference below – Minute 34 – 25 th July 2012		July 2012
1st February 2012				
136 Biggin Hill Heritage Centre Funding	Approved change of site and release of funding to prepare a Business Plan and Capital Cost Plan.	Business and Capital Cost Plans to be submitted to the July 2012 Executive meeting. Further updating report on funding to the Executive January 2013. See reference below – Minute 33 25 th July 2012	Director of Renewal & Recreation	January 2013
7th March 2012				
154 Carbon Management Programme – Progress report	Agreed recommendations – further progress report next year	Report going to the November 2012 Executive meeting.	Director of Environmental Services	Annual Progress Report February 2013
155 Carbon Reduction Commitment (CRC) Scheme 2010/11 – Annual Report	Agreed recommendations – further annual report next year	Report going to the November 2012 Executive meeting.	Director of Environmental Services	Annual Report February 2013

<u>Minute Number/Title</u>	<u>Executive Decision</u>	<u>Update</u>	<u>Action by</u>	<u>Completion Date</u>
11th April 2012				
171 Council Tax Support: Technical Reforms of Council Tax	Noted Government consultations – agreed to make representations to local MPs highlighting concerns over the proposals.	Letters have been sent by the Leader to local MPs. See reference below – Minute 35 25 th July 2012	Finance Director	Due to start April 2013
172 Local Government Resource Review – Proposals for Business Rates Retention	Noted proposals and lack of detail. Members raised concerns and agreed that representations be made to local MPs. Updates to Members when draft regulations issued.	Letters have been sent by the Leader to local MPs.	Finance Director	Due to start April 2013
179 Internal Audit Investigation Report	Noted report and requested further report.		Director of Renewal & Recreation	
23rd May 2012				
186 NHS Social Care Funds Investment Plan – Learning Disability Health Facilitator	Approval given to allocation of half of the funding for the 2 posts, subject to a further report on progress to Executive in the Autumn.		Asst. Director Commissioning	2013/14
192/1 Opportunity Site G, High Street, Bromley – Churchill Place	Noted outcome of market testing and agreed next steps to be taken. Quarterly updating reports to be submitted back to Executive.	Updating report to October 2012 Executive. See report on this agenda.	Director of Renewal & Recreation	

<u>Minute Number/Title</u>	<u>Executive Decision</u>	<u>Update</u>	<u>Action by</u>	<u>Completion Date</u>
20th June 2012				
28/1 46 Green Lane, Penge	Agreed to proceed with negotiations for the lease of the ground floor of this property. To report back to Executive on the outcome of consultations.	Report to be submitted to the November Executive meeting.	Director of Renewal & Recreation	
25th July 2012				
33 Proposals for Biggin Hill Heritage Centre	Request for the release of funding (£23,000) subject to the outcome of the meeting with the Trust representatives and information submitted on progress with fund raising.	The meeting took place on 30 th July 2012 and subsequently approval was given to release the funds by the Director of Renewal and Recreation – a key decision was issued informing members of the action taken.	Director of Renewal & Recreation	January 2013
34 The Priory Museum – Lottery Application	The first stage application to the Heritage Lottery Fund had been successful and approval was given to proceed to the second stage application by July 2013.	Details of whether the second stage application is successful will be known in October 2013.		Estimated completion date June 2015
35 Council Tax Support	Further representations to be made to the Government raising concerns by the Leader. Approval given to proceed with consultations locally.	Consultations commenced on 13 th August and end on 12 th October 2012. A further report will go to the Executive in November 2012. The Leader has again made representations to the government and MPs which have been acknowledged.		Due to commence 1 st April 2013

<u>Minute Number/Title</u>	<u>Executive Decision</u>	<u>Update</u>	<u>Action by</u>	<u>Completion Date</u>
38 Development of Autistic Spectrum Disorder – Secondary Provision at Glebe Special School	Approval given in principle to the expansion of Glebe School and subject to the outcome of the statutory consultation and the submission of additional activity information.		Director of Education and Care Services	2013/14
12th September 2012				
53 Active Citizens Working Group	Approval given in principle to the recommendation except 2d) and 2e) which were referred to the New Technology Working Group. Progress report in due course on how to take forward proposals.		Chief Executive	
54 Business Improvement District Proposal for Orpington	Proposals for the Orpington BID were agreed and authority to hold a ballot in February 2013.		Director of Resources/ Director of Renewal & Recreation	
58 Office Accommodation Strategy	Approval given for supplementary capital allocation. Audit Sub-Committee to fully examine the reasons for the project overrun and report back to Executive.	Report to go to the Audit Sub-Committee meeting on 14 th November 2012.	CE/Dir of Renewal & Recreation	
59 Update: Draw Down of Funding for Tackling Troubled Families	Approval given for the draw down of funding. Report back on how targets were measured and outcomes achieved.		Assistant Director, Safe-guarding & Social Care	Work to be completed by 31 st March 2013

Agenda Item 5

Report No.
RES12174

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: EXECUTIVE

Date: Wednesday 24 October 2012

Decision Type: Non-Urgent Executive Key

Title: CAPITAL PROGRAMME MONITORING - 2ND QUARTER
2012/13

Contact Officer: Martin Reeves, Principal Accountant
Tel: 020 8313 4291 E-mail: martin.reeves@bromley.gov.uk

Chief Officer: Finance Director

Ward: (All Wards);

1. Reason for report

This report summarises the current position on capital expenditure and receipts following the 2nd quarter of 2012/13 and seeks the Executive's approval to a revised Capital Programme.

2. **RECOMMENDATION(S)**

The Executive is requested to:

- a. Note the report, including the rephrasing of a total of £3.0m from 2012/13 into later years (see paragraph 3.11), and to agree a revised Capital Programme.
- b. Approve the following amendments to the Capital Programme:
 - (i) Virements within the Education Capital Programme to allocate funding to individual schemes to match actual expenditure in 2012/13 (see para 3.2);
 - (ii) Addition of £1,590k in 2012/13 in respect of additional Basic Need grant support in 2012/13 to fund additional pupil places (see para 3.3);
 - (iii) Addition of £448k in respect of additional Short Breaks for Disabled Children capital funding in 2012/13 (see para 3.4);
 - (iv) Addition of £72k for costs relating to the acquisition of 95 High Street, Bromley, funded by a contribution from the Property Investment Fund (see para 3.5);
 - (v) Addition of £625k in 2012/13 in respect of additional PCT funding for the Learning Disability Reprovision Programme (see para 3.6);

- (vi) Reduction of £9k in 2012/13 to the Town Centre budgets funded by the Outer London Fund (see para 3.7);
- (vii) Addition of £574k in respect of the Bromley MyTime Investment Fund budget for 2012/13 (see para 3.8);
- (viii) Addition of £1,267k to reflect revised grant contributions from Transport for London towards the cost of various highways schemes (see para 3.9); and
- (ix) Reduction of £68k per annum (£272k over the 4 year period 2012/13 to 2015/16) to reflect the reduced revenue contribution to Disabled Facilities Grants (see para 3.10).

Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Excellent Council
-

Financial

1. Cost of proposal: Estimated Cost: Total increase of £4.3m over the 4 years 2012/13 to 2015/16, mainly due to additional external funding in 2012/13
 2. Ongoing costs: Non-Recurring Cost
 3. Budget head/performance centre: N/A (Capital Programme)
 4. Total current budget for this head: £ Total £77.2m over 4 years 2012/13 to 2015/16
 5. Source of funding: Capital grants, capital receipts and earmarked revenue contributions
-

Staff

1. Number of staff (current and additional): 0.25 FTE
 2. If from existing staff resources, number of staff hours: 9 hours per week
-

Legal

1. Legal Requirement: Non-Statutory - Government Guidance
 2. Call-in: Not Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

Capital Expenditure

3.1 Appendix A sets out proposed changes to the Capital Programme following a detailed monitoring exercise carried out after the 2nd quarter of 2012/13. Further information is provided in paragraphs 3.2 to 3.11. The base position is the revised programme approved by the Executive on 25th July 2012, as amended by variations approved at subsequent Executive meetings. If the changes proposed in this report were approved, the total Capital Programme 2012/13 to 2015/16 would increase by £4,295k, mainly due to additional external support for schemes in 2012/13. The 2012/13 estimate would increase by £1,459k, mainly as a result of increased external support and rephasing of expenditure into later years.

3.2 Virement of Education budgets (no overall cost implication)

A review of the Education Capital Programme has identified that a number of virements/budget adjustments are required to ensure that funding is in the right place to cover expenditure on individual schemes. Virements are proposed from generic overall budget provisions to scheme specific budgets, as detailed in the table below. This will ensure that funding matches actual expenditure and, as the adjustments are all within the 2012/13 Capital Programme, there is no bottom line impact on the programme. The Executive is asked to approve these adjustments.

Scheme / budget description	2012/13
	£000
From: Farnborough Primary School Phase 1	-76
To: Suitability/modernisation issues (to fund Farnborough Phase 2)	76
From: Capital Maintenance in Schools	-600
To: Seed Challenge Fund	300
To: Security works in schools	150
To: Suitability/modernisation issues	150

3.3 Basic Need – additional government grant (addition of £1,590k in 2012/13)

The government has announced additional Basic Need funding of £1,590k in 2012/13 to support the provision of additional pupil places, which has brought total Basic Need funding for 2012/13 up to £9,770k. The Executive is asked to approve the inclusion of £1,590k in the 2012/13 Capital Programme. The grant is ring-fenced and an initial programme of works was agreed by the former Children & Young People Portfolio Holder in March, with an updated programme being agreed by the Education Portfolio Holder in September.

3.4 Short Breaks Capital – additional government grant (addition of £448k in 2012/13)

In September, the Department for Education announced the Short Breaks for Disabled Children capital grant allocations. Bromley has been awarded £224k in 2012/13, which matches the amount awarded in 2011/12, which has not been consolidated into the approved Capital Programme. The Executive is asked to approve the inclusion of £448k in 2012/13. The grant is not ring-fenced and is intended to help local authorities and their health partners to create better access to short break provision by providing new equipment, adaptations and facilities for disabled children and young people. The 2011/12 grant was used to fund existing schemes in the Capital Programme and the 2012/13 grant has to be spent by 31st August 2013. Spending plans will be submitted to the Education Portfolio Holder in the near future.

3.5 95 High Street, Bromley – acquisition costs (addition of £72k in 2012/13)

At the July meeting, the Executive noted the inclusion in the Capital Programme of £1,550k relating to the acquisition of a property (95 High Street, Bromley) funded from the Property Investment Fund. This was purely the purchase price and the Executive is now asked to approve the inclusion of a further £72k for acquisition costs (stamp duty, legal fees, etc), which will also be funded by the Property Investment Fund. An update on the Property Investment Fund, including details of a delegated authority approved by the Executive in October 2011, is provided in paragraph 3.15.

3.6 PCT Learning Disability Re provision Programme (addition of £625k in 2012/13)

Further to previous reports, the Council operates under a Section 75 agreement as the lead commissioner for the PCT Campus Programme. Early in 2012, Bromley PCT transferred a further £625k to the Council to enable the purchase of 118 Widmore Road, bringing the total transfer to around £11m, specifically for the re provision of LD services. The PCT Campus Programme continues to make good progress and the Executive is asked to agree the inclusion of the additional £625k in the Capital Programme in 2012/13.

3.7 Outer London Fund – Bromley Town Centre (reduction of £9k in 2012/13)

The Council has been informed that the application for a proposed extension project to be funded by the GLA's Outer London Fund has not been agreed and the Capital Programme budget needs to be reduced by £9k.

3.8 Bromley MyTime Investment Fund (addition of £574k in 2012/13)

The Renewal and Recreation revenue budget includes £591k for the 2012/13 contribution to the Bromley MyTime Investment Fund and, as is outlined in a post-completion report on the Pavilion Leisure Centre scheme elsewhere on the agenda, some £17k of this was required to complete the funding of that scheme. The Executive is asked to approve the inclusion of the remaining balance of the Investment Fund (£574k) in the 2012/13 Capital Programme.

3.9 Transport for London – revised support for highway schemes (addition of £1,267k in 2012/13)

Provision for transport schemes to be 100% funded by TfL was originally included in the Capital Programme 2012/13 to 2015/16 on the basis of the bid in our Borough Spending Plan (BSP). Notification of an overall increase of £1,267k in 2012/13 has been received from TfL. Grant allocations from TfL change frequently and any further variations will be reported in subsequent capital monitoring reports.

3.10 Disabled Facilities Grants – reduction in revenue funding (reduction of £272k over the 4 year period 2012/13 to 2015/16)

The annual base budget for Disabled Facilities Grants is £1,010k, funded by government grant of £710k and a revenue contribution of £300k. From 2012/13, the revenue contribution has been reduced to £232k and the Capital Programme budget needs to be reduced accordingly (by £68k per annum).

3.11 Scheme Rephasing

In final outturn reports in June and July, the Executive was informed that the level of slippage of expenditure originally planned for 2011/12 was significantly lower than in recent years and a total of £7.2m had been rephased into 2012/13. This followed a review and strengthening of the monitoring process during 2011/12 and was the result of a more realistic approach towards anticipating slippage when the revised estimates were set in February. This is the first

monitoring report since July and the additional challenge and review has resulted in the changes set out in paragraphs 3.2 to 3.10 above and also in rephrasing adjustments totalling £3.0m from 2012/13 into later years. These are itemised in Appendix A.

Capital Receipts

3.12 Details of the 2011/12 outturn for capital receipts and the receipts forecast in the years 2012/13 to 2015/16 are included elsewhere on the agenda in a confidential appendix to this report (Appendix C). Actual receipts from asset disposals totalled some £0.2m in 2011/12 (including vehicle sales and miscellaneous receipts), which was in line with the forecast reported to the February meeting. The latest estimate for 2012/13 has reduced to £11.7m from £14.9m reported in July. Estimates for 2013/14 and 2014/15 are now £10.3m and £4.7m respectively (£8.7m and £2.4m were reported in July). These totals include estimated receipts in respect of the disposal of the three main sites in the disposal programme; Tweedy Road, Westmoreland Road and Bromley Town Hall. For illustrative purposes, two financing models have been prepared. One assumes we achieve all planned receipts and the other assumes we fail to achieve any of the three main disposals. These are summarised in paragraph 5.3. A total of £1m per annum is assumed from 2015/16, in line with the target included in the Resources Portfolio Plan. The financing and balances projections shown in Appendix B reflect prudent assumptions for capital receipts in view of continuing uncertainties in the housing market and assume non-receipt of the three main disposals.

3.13 In addition to capital receipts from asset disposals, the Council is holding a number of Section 106 contributions received from developers. These are made to the Council as a result of the granting of planning permission and are restricted to being spent on capital works in accordance with the terms of agreements reached between the Council and the developers. These receipts are held in a reserve, the balance of which stood at £3,690,000 as at 31st March 2012, and will be used to finance capital expenditure from 2012/13 onwards. The current position on capital Section 106 receipts (including commitments) is shown below.

Specified capital works	Balance	Receipts	Expenditure	Balance
	31/3/12	2012/13	2012/13	30/09/12
	£000	£000	£000	£000
Local Economy & Town Centres	43	-	27	16
Housing provision	2,318	2,276	1,219	3,375
Education	485	81	26	540
Community use	844	-	70	774
TOTAL	3,690	2,357	1,342	4,705

Post-Completion Reports

3.14 Under approved Capital Programme procedures, capital schemes should be subject to a post-completion review within one year of completion. These reviews should compare actual expenditure against budget and evaluate the achievement of the scheme's non-financial objectives. A report covering the Biggin Hill Leisure Centre and the Pavilion Leisure Centre schemes is included elsewhere on this agenda. The Executive and all the PDS Committees have previously noted that post-completion reports on the following schemes should be submitted to the relevant Portfolio Holders during 2012/13:

Bickley Primary School – expansion

Princes Plain Primary School - expansion

The Highway Primary School – partial rebuild

Hawes Down Co-Location

Priory School – Local Learning Centre

Biggin Hill Leisure Centre

Orpington Library relocation

Property Investment Fund

3.15 On 7th September 2011, Members approved the creation of a Property Investment Fund (earmarked reserve) of £10.0m and agreed that monitoring of the fund would be included in quarterly capital monitoring reports. It was subsequently agreed by the Executive in October 2011 that decisions on the purchase of properties costing up to £2m be delegated to the Director of Renewal & Recreation in consultation with the Director of Resources, the Leader of the Council and the Portfolio Holders for Resources and Renewal & Recreation. Schemes (i.e. property acquisitions) will be included in the Capital Programme as and when they are agreed by Members and funding will be drawn down from the fund. To date, only one property acquisition has been approved, that being 95 High Street in the sum of £1,550k, which has been included in the Capital Programme. This report proposes the addition of related acquisition costs totalling £72k, bringing the total cost up to £1,622k, which will be funded by a transfer from the Fund, leaving an uncommitted balance of £8,378k.

4. POLICY IMPLICATIONS

4.1 Capital Programme monitoring and review is part of the planning and review process for all services.

5. FINANCIAL IMPLICATIONS

5.1 These are contained in the main body of the report and in the appendices. A summary of the changes to the Capital Programme detailed in this report is shown in Appendix A. If the proposed changes were approved, the total Capital Programme 2012/13 to 2015/16 would increase by £4.3m, mainly due to increased external funding and to rephasing of expenditure into later years, and the 2012/13 estimate would increase by £1.5m to £48.7m, for the same reasons. Appendix C (on the Part 2 agenda) gives details of actual and anticipated capital receipts from asset disposals.

5.2 Attached as Appendix B is a capital financing statement, which gives a long-term indication of how the revised Programme would be financed if all the proposed changes were approved. The phased transfer of rolling programmes of maintenance-type expenditure from capital to revenue was completed in 2009/10 and the financing projections continue to assume no General Fund support to the revenue budget in future years. They also assume approval of the revised capital programme recommended in this report, together with an estimated £2.5m pa for new capital schemes from 2013/14 onwards.

5.3 The following table summarises the estimated impact on balances of the revised programme and revised capital receipt assumptions. Under Model 1 (all planned receipts are achieved), total balances would increase from £45.6m (General Fund £31.6m and capital receipts £14.0m) at the end of 2011/12 to £50.2m by the end of 2015/16 and would then reduce to £42.2m by the end of 2019/20. The General Fund would not be required to make any contributions to the funding of capital expenditure through to the end of 2019/20. Under Model 2 (non-achievement of three main disposals), total balances would reduce from £45.6m at the end of 2011/12 to £39.6m by the end of 2015/16 and would then reduce to £31.6m by the end of 2019/20. Under Model 2, no General Fund contributions would again be required to be made to the funding of

capital expenditure through to the end of 2019/20. This model reflects prudent assumptions on the level of capital receipts in view of continuing uncertainty in the housing market.

	Balance 1/4/12	Estimated Balance 31/3/16	Estimated Balance 31/3/20
	£m	£m	£m
MODEL 1 (all receipts)			
General Fund	31.6	31.5	31.5
Capital Receipts	14.0	18.7	10.7
	<u>45.6</u>	<u>50.2</u>	<u>42.2</u>
MODEL 2 (no big receipts)			
General Fund	31.6	31.5	31.5
Capital Receipts	14.0	8.1	0.1
	<u>45.6</u>	<u>39.6</u>	<u>31.6</u>

Non-Applicable Sections:	Legal and Personnel Implications
Background Documents: (Access via Contact Officer)	Departmental monitoring returns September 2012. Approved Capital Programme (Executive 25/7/12). Capital Programme Outturn 2011/12 report (Executive 20/6/12). Capital Monitoring report – Q1 2012/13 (Executive 25/7/12).

CAPITAL PROGRAMME MONITORING - OCTOBER 2012 - SUMMARY OF VARIATIONS FROM APPROVED PROGRAMME							
Variations on individual schemes	Date of Portfolio meeting	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £001	TOTAL £000	Comments/reason for variation
Current Approved Capital Programme							
Programme approved by Executive 25/07/12	Exec 25/07/12	47138	12082	7697	5936	72853	
Biggin Hill Heritage Centre -feasibility costs	Exec 25/07/12	23				23	
Office accommodation strategy - supplementary estimate	Exec 12/09/12	400				400	
Post-completion reports elsewhere on this agenda							
- Biggin Hill Leisure Centre - supplementary estimate	Exec 24/10/12	143				143	
- Pavilion Leisure Centre - underspend	Exec 24/10/12	-475				-475	
Approved Programme prior to 2nd Quarter's Monitoring		47229	12082	7697	5936	72944	
Variations in the estimated cost of approved schemes							
(i) Variations requiring the approval of the Executive							
Transfer of funding from Farnborough Primary School Phase 1		-76				-76	See paragraph 3.2
to Suitability/modernisation issues (to fund Phase 2)		76				76	See paragraph 3.2
Transfer of funding from Capital Maintenance in Schools		-600				-600	See paragraph 3.2
to Seed Challenge Fund		300				300	See paragraph 3.2
to Security works in schools		150				150	See paragraph 3.2
to Suitability/modernisation issues in schools		150				150	See paragraph 3.2
Basic Need - additional government grant		1590				1590	See paragraph 3.3
Short Breaks Capital - grant allocations 2011/12 & 2012/13		448				448	See paragraph 3.4
95 High Street, Bromley - acquisition costs		72				72	See paragraph 3.5
PCT Learning Disability Reprovision programme - additional income from PCT		625				625	See paragraph 3.6
Outer London Fund - Bromley Town Centre		-9				-9	See paragraph 3.7
Bromley MyTime Investment Fund		574				574	See paragraph 3.8
Transport for London - revised grant allocations		1267				1267	See paragraph 3.9
Disabled Facilities Grants - reduction in revenue funding		-68	-68	-68	-68	-272	See paragraph 3.10
		4499	-68	-68	-68	4295	
(ii) Variations not requiring approval							
Rephasing of schemes							
Langley Park Boys School - BSF (Building Schools for the Future) scheme		-1000	1000			0	}
Seed Challenge Fund		-100	100			0	}
Schools Access Initiative		-100	100			0	}
Security works in schools		-100	100			0	}
Suitability/modernisation issues in schools		-10	10			0	} See paragraph 3.11
PCT Learning Disability Reprovision programme		-600	600			0	}
Chislehurst Road Bridge		-59	59			0	}
London private sector renewal schemes		-576	300	276		0	}
Renovation grants - Disabled Facilities		-485	245	240		0	}
Bromley Town Centre - increased parking capacity		-10	10			0	}
		-3040	2524	516	0	0	
TOTAL AMENDMENT TO CAPITAL PROGRAMME		1459	2456	448	-68	4295	
TOTAL REVISED CAPITAL PROGRAMME		48688	14538	8145	5868	77239	
+/- estimated further slippage		-5000	1000	1000	1000		
+ estimated new schemes/service developments in future years		-	2500	2500	2500		
Total expenditure to be financed		43688	18038	11645	9368		
ROUNDED		43690	18040	11650	9370		

CAPITAL FINANCING STATEMENT Executive 24/10/12 - ALL RECEIPTS																
(NB. Assumes all capital receipts - see below)																
	2008-09		2009-10		2010-11		2011-12		2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
	Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000's	£000's	£000's	£000's
Summary Financing Statement																
Capital Grants	23,930	13,072	27,670	26,209	39,280	25,344	28,440	28,399	18,970	1,820	1,140	1,140	1,140	1,140	1,140	1,140
Other external contributions	10,400	9,725	10,910	8,354	16,100	12,488	13,920	11,078	14,430	6,440	6,030	4,000	4,000	4,000	4,000	4,000
Usable Capital Receipts	11,480	4,930	5,370	3,822	5,130	423	11,000	4,705	7,600	9,300	4,000	3,750	3,750	3,750	2,750	2,750
Revenue Contributions	5,360	3,749	7,590	4,094	10,420	9,619	1,290	3,527	2,690	480	480	480	480	480	480	480
General Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Borrowing	3,000	703	1,100	0	500	0	0	0	0	0	0	0	0	0	0	0
Total expenditure	54,170	32,179	52,640	42,479	71,430	47,874	54,650	47,709	43,690	18,040	11,650	9,370	9,370	9,370	8,370	8,370
Usable Capital Receipts																
Balance brought forward	16,799	16,799	14,032	14,032	13,236	13,236	17,943	17,943	14,002	18,372	20,322	21,242	18,712	16,522	13,832	12,142
New usable receipts	1,200	2,163	2,540	3,026	5,150	5,130	550	764	11,970	11,250	4,920	1,220	1,560	1,060	1,060	1,360
	17,999	18,962	16,572	17,058	18,386	18,366	18,493	18,707	25,972	29,622	25,242	22,462	20,272	17,582	14,892	13,502
Capital Financing	-11,480	-4,930	-5,370	-3,822	-5,130	-423	-11,000	-4,705	-7,600	-9,300	-4,000	-3,750	-3,750	-3,750	-2,750	-2,750
Balance carried forward	6,519	14,032	11,202	13,236	13,256	17,943	7,493	14,002	18,372	20,322	21,242	18,712	16,522	13,832	12,142	10,752
General Fund																
Balance brought forward	45,214	45,214	46,900	46,900	51,900	51,900	29,800	29,800	31,609	31,493	31,493	31,493	31,493	31,493	31,493	31,493
Less: Capital Financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Less: Transfer to earmarked reserves 31/3/11	0	0	0	0	0	-24,000	0	0	0	0	0	0	0	0	0	0
Less: Use for Revenue Budget	86	1,686	1,100	5,000	-2,100	1,900	1,000	1,809	-116	0	0	0	0	0	0	0
Balance carried forward	45,300	46,900	48,000	51,900	49,800	29,800	30,800	31,609	31,493	31,493	31,493	31,493	31,493	31,493	31,493	31,493
TOTAL AVAILABLE RESERVES	51,819	60,932	59,202	65,136	63,056	47,743	38,293	45,611	49,865	51,815	52,735	50,205	48,015	45,325	43,635	42,245
Assumptions:																
Rolling programmes - £1.5m t/f to revenue in 2009/10 (i.e. completes the transfers).																
General Fund contribution to support revenue budget - zero in 2012/13 and no further contributions thereafter.																
Gr contribution to support capital programme - not required in any year.																
New capital schemes - £2.5m p.a. from 2013/14 for future new schemes.																
Capital receipts - includes figures reported by Property Division as at 09/10/12 (pessimistic/realistic estimate, including Tweedy, Westmoreland & Town Hall) and £1m pa from 2015/16.																
Current approved programme - as recommended to Executive 24/10/12																
General Fund balance takes account of £24m transfer to earmarked reserves approved by Council on 24/10/11.																

Decision Maker: Executive

Date: 24 October 2012

Decision Type: Non-Urgent Executive Non-Key

Title: **DRAW DOWN OF FUNDING FOR BROMLEY SEN & DISABILITY PATHFINDER FUNDING**

Contact Officer: Mary Çava, Head of SEN & Disability Services
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Helen Norris, Head of Specialist Support and Disability Services
Tel: 020 8315 4740 E-mail: helen.norris@phoenixsch.org.uk

Chief Officer: Assistant Director (Education), Education and Care Services

Ward: Boroughwide

1. Reason for report

- 1.1 This report requests the release of funds held in the 2012/13 central contingency to the Education and Care, Bromley Pathfinder budget. The amount requested from contingency totals £165k and relates to Year 2 funding to support Bromley's Pathfinder work.
- 1.2 This report also provides an update on the progress of Bromley and Bexley SEN and Disability Green Paper Pathfinder Phase 1 2011/12 to date. Pathfinder work will inform the proposed new statutory SEN and Disability agenda with the publishing of the draft statutory clauses for pre-legislative scrutiny of the new Children and Families Bill (September 2012) which will incorporate SEN and Disability issues informed by national Pathfinder sites, including Bromley.
- 1.3 Pathfinder funding of £75k for 2011/12 was released to Bromley by the DfE in November 2011 with a further £150k in March 2012, which was allocated to contingency, to cover 2012/13. After the 2012/13 budget was set, Pathfinders were also asked to bid for additional funding of up to £15k for 2012/13, which Bromley achieved in April 2012, making a total of £165k for 2012/13.
- 1.4 All Pathfinders are scrutinised by the DfE appointed SQW national evaluation team against the original targets in the Green Paper Pathfinder bid and agreed in the contract 'offer' to Bromley. Conditions of use of the funding include repayment to the DfE if the monies are not used as stipulated in Bromley's successful bid.

2. **RECOMMENDATION(S)**

2.1 **The Executive Committee is asked to:**

- (i) consider the content of the report;
- (ii) approve the release of £165k of funding from the central contingency into the Pathfinder Budget, as set out in Table 3.10.

Corporate Policy

1. Policy Status: Existing Policy: Draft Education and Care Services Plan for 2012/13 and Government Directed
 2. BBB Priority: Children and Young People - Enjoy learning and achieve their full potential; ensuring the health and wellbeing of children and young people, and their families
-

Financial

1. Cost of proposal: Estimated Cost £165k in 2012/13
 2. Ongoing costs: One-off payment until March 2013, (any future Pathfinder funding 2013/14 will be announced November 2012) Future years subsumed within the base budget.
 3. Budget head/performance centre: Pathfinder 136355
 4. Total current budget for this head: Nil
 5. Source of funding: DfE (SEN & Disability Pathfinder).
-

Staff

1. Number of staff (current and additional): Currently 1.62 FTE to 31/08/2012; 1.45 FTE from 01/09/2012 - 31/03/2013
 2. If from existing staff resources, number of staff hours: 18 per week
-

Legal

1. Legal Requirement: Future Statutory Requirement; legislation being put before Parliament Spring 2013 (Children and Families Bill). Along with a new Code of Practice in 2013 work being informed by National Pathfinders sites. It is proposed that the new statutory regulations and Bill will become law with Royal Assent (subject to Parliament) in Spring 2014 implementation in September 2014. Integrated work will include the Joint Strategic Needs Assessment and Health and Well Being Strategy linking with the Health and Social Care Bill.
 2. A new document 'Progress and Next Steps' was launched in May 2012, outlining the vision that the new Bill would take forward the Green Paper SEN and Disability work with draft clauses and guidance being informed by National Pathfinders.

The draft clauses to the new Bill were published on 3 September 2012 with the Education Select Committee calling for views by 11 October 2012. A report from the Select Committee will be completed before Parliament rises in December 2012.
 3. Call-in: Applicable
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): 2,000 children and young people, together with their parents/carers.
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not applicable
2. Summary of Ward Councillors comments: Not Applicable

3. COMMENTARY

- 3.1 In September 2011, Bromley was notified by the Department for Education (DfE) that it had achieved Pathfinder status in a joint bid with Bexley, to test the SEN & Disability Green Paper proposals, described as the most radical reform in this field in more than 30 years. Bromley and Bexley Pathfinder is one of 20 Pathfinders agreed across England, covering 31 Local Authorities with their Health Partners.
- 3.2 Mott McDonald, National Consultants, was appointed by the Government to co-ordinate national Pathfinder activity and support National Pathfinder sites across England, reporting to the DfE and Health partners.
- 3.3 The context of Bromley's Pathfinder work and the new agenda is around the rising numbers of disabled children. The general increase in population and the result of medical advances has led to a large increase in the number of children and young people with more severe SEN and disability, coupled with greatly increased health needs and complex family circumstances. There has also been a large increase in children identified with Autism.
- Government 2010 figures show an increase in Special Educational Needs (SEN) from 1.53m (19% of students) in 2006 to 1.69m (21% of students) in 2010, with a large increase in children with autism. In special schools between 2004 – 2009 Severe Learning Disabilities increased by 5.1% and Profound and Multiple Learning Disabilities by 29.7%. This rapid growth in children with more complex needs impacts on services and provision as placements and Bromley provision are planned in line with the new reform agenda and statutory duties.
- 3.4 The overarching Bromley Action Plan was agreed in early 2012 by the Interim Assistant Director, Education & Care Services. The focus of Bromley Pathfinder work is on children with complex needs and disabilities across the age range birth to 25. Pathfinder work in Bromley is via SEN & Disability Services through Mary Cava Head of SEN & Disability, reporting to Tessa Moore, Assistant Director (Education), Education & Care Services. The lead for Bromley Pathfinder is Helen Norris, Head of Specialist Support & Disability Services, and the lead for Bexley is Melanie Newell, Head of Specialist Services.
- 3.5 A Bromley Core Group drawn from officers across the Local Authority, Health and Parent Representation developed an action plan, established time lines across Bromley and Bexley to monitor and take Pathfinder activity forward. A 'Leads Group' across Bromley and Bexley was established to coordinate Pathfinder work across the boroughs.
- 3.6 Bromley Pathfinder funding and work is to specifically trial and test:
- New Single Plans from birth to 25 across Education, Health and Care with agreed assessment and resource systems
 - The development of Personal Budgets. The Green Paper advised that all families with a statement of SEN or a new Education Health and Care Plan would have the option of a personal budget by 2014
 - Banded Funding
 - Support to Parents, Children and Young People
 - Linking Early Support and Key working/integrated working up through the age range
 - Transition ('Preparing for Adulthood') added in March 2012
- Bromley are leading on the new Single Plan, Banded Funding, Support to Parents, Children and Young People and Early support and Key working. Bexley are leading on Personal Budgets. Both local authorities are testing all areas.

3.7 Pathfinder involvement will support Bromley in achieving many of the agreed SEN and Disability Phase V priorities, including:

- reducing reliance on out-Borough placements;
- increasing parental confidence and reducing tribunals;
- improving SEN funding methodologies

3.8 The agreed Bromley and Bexley Action Plan reflects eight work streams in Bromley to take specific Pathfinder activity forward, in which considerable progress has already been made. Work streams are:

- Parents, Children and Young People
- Single Plan and Assessment
- Early Support and Key Working
- Developing Panel Processes and a Model
- Personal Budgets
- Commissioning
- Banded Funding and achieving a Bromley 'Local Offer'
- Transition from Children's to Adult Services

Work streams highlights include

- drafting, testing and further developing a process to implement Education Health and Care Plans and trialing with a cohort of Bromley families and young people with complex needs, birth to 22 as part of the national evaluation and work with special schools. Active involvement as part of National Policy Working Group on the single plan and assessment process;
- considering a 'local offer' including work with families through Bromley Parent's Voice and children and young people through Bromley Young Advisers;
- considering the implications of Personal Budgets working with Commissioning;
- banded funding protocols linking new Education Funding reforms and special schools in Bromley and as part of the National Banded Funding Policy Working Group developing resources and materials;
- transition development to focus on a shared vision for young people in transition to adulthood 14-25 in order to achieve a good 'Local Offer'. Meaningful day opportunities are being developed, working closely with Bromley and Nash colleges, for more flexible packages with specialist support. Following a successful bid and funding (£2 million) to remodel facilities in Bromley College, this provision is being developed so that young people with more complex needs can be effectively supported within borough;
- work with parents and stakeholders in considering whole system change as reflected in work stream action plans;
- work being developed to explore implications of increased complexity of need within reduced local authority funding considering in borough complex needs place requirements in order to mitigate against costly out of borough SEN and disability placements and achieving whole system change in the context of current local authority funding constraints.

3.9 One of the National Pathfinder and Action Plan priorities is to raise awareness of Pathfinder activity and the proposed whole system reform locally, regionally and nationally. This has included:

- two Bromley and Bexley stakeholder conferences, with addresses being given by Bromley's Director of Children and Young People Services and Bexley's Deputy Director Social Care (November 2011) and the Chief Executive Bromley and Portfolio Member Bexley (April 2012). A further stakeholder conference will be held in Bexley on 19 October 2012 and another at the end of the current Pathfinder contract in March 2013;
- presentations by Bromley Interim Assistant Director, Access and Inclusion and Bromley Pathfinder Lead to the Shadow Health and Wellbeing Board (November 2011), Bromley Parent Voice Annual Conference (March 2012);
- departmental management meetings across the Local Authority, voluntary sector partners and schools;
- a 'Visioning Day' led by the Pathfinder transition work stream, in partnership with 'Preparing for Adulthood' national delivery partners, addressed by the national team and Bromley's Assistant Director Commissioning to focus on transition;
- the team has also addressed groups regionally at managers' network meetings across London and been invited to address a number of national conferences and strategic meetings.

Pathfinder work has also developed:

- a research project, in partnership with 'Achievement for All' and Bromley Special Schools, linking pupil/student positive outcomes and progress indicators with the new proposed Statutory Single Education and Health Care Plan and Key working and developing a Banded Funding framework and monitoring of complex needs to inform the 'Local Offer';
- a Bromley and Bexley national 'best practice' case study was achieved in August 2012 to inform the draft clauses to the new Bill and the national agenda of Bromley's Pathfinder work.

4. POLICY IMPLICATIONS

4.1 The funding concerned would contribute to the delivery of priorities for children and young people set out in the Education and Care Services Plan for 2012/13, in line with statutory guidelines and local priorities. Pathfinder funding has afforded Bromley additional resources to consider and manage the issues soon to be statutory requirements related to the recently published draft clauses to the Children and Families Bill which are being trialled and tested through Pathfinder activity across Bromley and Bexley and the 19 other local authority Pathfinder areas.

4.2 The draft provisions provide for:

- a new Education, Health and Care Plan to ensure streamlined and integrated support up to age 25 which will replace the current SEN statutory assessment and statements and section 139A Learning Difficulty Assessments by 2014 providing the same statutory protection to parents;

- a new duty for joint commissioning requiring local authorities and health bodies to take joint responsibility for providing services including arrangements for considering and agreeing reasonable provision to meet the needs of all children with SEN in the area and specifically for the children and young people with EHC plans;
- a requirement on Local Authorities to publish a 'Local Offer' of services for disabled children and young people and those with SEN. Local Authorities will be required to promote integration in the exercise of their functions specifically between education, health and care in order to improve children's well being. This will include provision made outside the LA's area. They will also be required to keep education and social care provision under review including whether local provision is sufficient to meet local need;
- new protections for young people age 16~25 in further education for whom the local authority will be responsible as the definition of SEN is extended to include young people over compulsory school age but under 25;
- parents and young people for the first time to be entitled to have a Personal Budget extending their choice and control over support and Local authorities must prepare a personal budget where a request has been made by the parent and young person this may include a direct payment;
- further education colleges, all academies and free schools to have same duties as maintained schools to safeguard education of children and young people with SEN;
- the new draft clauses and pace of change of this new agenda will need careful consideration, including funding and legal implications, as the Pathfinder work develops.

4.3 As National Pathfinders, Bromley and Bexley are now in a more favourable position, having a much clearer understanding of the new statutory implications and 'management of risk' issues related to the new national reform agenda for SEN and Disability through their Pathfinder work. Bromley Pathfinder is now addressing a number of key questions including how to most effectively transition from the current Statutory SEN system to the new statutory system Education, Health and Care Plans meeting the highest threshold of need. Joint Commissioning, thresholds and integrated resourcing of new Education, Health and Care Plans from birth to 25.

5. FINANCIAL IMPLICATIONS

5.1 It is proposed that the £165,000 of Pathfinder money is allocated as follows:-

	£
Staffing costs	72,076
Voluntary Sector	50,000
LBB Partners, Schools	27,000
General running costs	15,924
	<u>165,000</u>

5.2 The funding requested for 2012/13 will be used as follows:

Funded Element	Detail	Sep 2012 – Mar 2013
Contribution to management costs and administrative support	Existing staff to work part time on Pathfinder, including Lead for Service, Joint Commissioner and Data Panels Manager	£35,366
Increase in Staff hours	Staff working additional hours to help develop Pathfinder targets across the eight work streams	£36,710
Commissioning Private and Voluntary Sector and Work stream Support	Bromley MENCAP, Achievement for All, Preparing For Adulthood (Livability, Bromley College, Experts by Experience, Advocacy for All), Bromley Parent Voice, Parental Training, Consultancy to reflect Bromley/Bexley Pathfinder liaison and Mott McDonald. (work streams)	£50,000
LBB Partners, Schools	Inclusion Support Services, Education Psychology Services, Hawes Down Centre, Bromley Special Schools, Disabled Children Social Work Team and Commissioning.	£27,000
Expenses to include:	Running costs to include equipment and resources, literature, conferences to support Pathfinder activity, IT support, workshops, room hire, research and development.	£15,924
	TOTAL	£165,000

5.3 Management of risk issues identified and to be outworked through the Pathfinder include:

- costing the duty to provide support to young people with SEN and disability as they remain in FE and college placements until aged 25. Consider the 'Local offer' in Bromley birth to 25 within the context of financial constraints and quantify the 'risk', including funding implications of the perverse incentive in the draft duties for young people to remain in education until 25 years of age. As post-school provision outside of the 'education spine' is not a statutory duty, it is proposed the plan will cease when the young person is no longer in education or training;
- consider early action to ensure new EHC Plans and SEN statements are for highest threshold need **only**, in effect needing to 'raise the bar' across the age range and consider action for those children and young people below the new threshold. The new draft duties state that the threshold for an EHC plan is the same as for a statement but Bromley has been a high statementing authority as less funding has been passport to schools. New EHC plans having the same thresholds as current statements would not be appropriate given the level of need and be hugely cost prohibitive to the borough. Specialist audit and the complex needs team should also consider and review high cost matrix funding within mainstream schools to ensure the very limited amount of specialist provision goes to the most needy. Implement audit of need as part of the annual audit and through Pathfinder work;

- include increased complexity of need within reducing funding envelope and consider 'in-borough' complex needs place requirements to mitigate against costly 'out of borough' SEN and disability placements and work aligned to new Education funding reforms from April 2013;
- to work with parents and stakeholders in managing expectations of raised thresholds with the new statutory requirements and context of funding constraints, exploring solutions through partnership work including the Short Breaks agenda;
- link Pathfinder Banded Funding policy and Health Reforms with Bromley Education Funding Reform action and the funding implications of parents drawing down Personal Budgets by 2014 and Academy issues in specialist provision.

Early awareness of the proposed statutory duties and 'direction of travel' is important at this time of financial austerity as Bromley develops Portfolio plans and looks at the future shape of the organisation with reduced levels of Bromley funding but increased numbers of children and young people with the most complex needs and disabilities.

6. LEGAL IMPLICATIONS

- 6.1 There is a general discretion to apply delegated funding for non specific purposes unless the sum delegated is specifically ring-fenced by central government to provide a specific service. Funding would need to be repaid to the DfE if not used for Pathfinder purposes.
- 6.2 The Authority has a general power to aid and assess the well-being of its residents and facilitate services that promote such well-being.

7. PERSONNEL IMPLICATIONS

- 7.1 There are no direct personnel implications arising from this report.

Non-Applicable Sections:	N/A
Background Documents: (Access via Contact Officer)	Support and aspiration: A new approach to special educational needs and disability (March 2011) http://www.education.gov.uk/childrenandyoungpeople/sen/a0075339/sengreenpaper , Support and aspiration: A new approach to special educational needs and disability - Progress and next steps (May 2012) http://www.education.gov.uk/inthenews/inthenews/a00208753/childrens-bill-family-support and http://www.official-documents.gov.uk/document/cm84/8438/8438.pdf (Draft Legislation on Reform of provision for children and young people with Special Educational Needs, published September 2012)

Agenda Item 7

Report No.
DRR12/
096120

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: EXECUTIVE

Date: 24 October 2012

Decision Type: Non-Urgent Executive Key

Title: **PROCUREMENT STRATEGY FOR MULTI DISCIPLINARY CONSULTANCY SERVICES FOR CAPITAL BUILDING PROGRAMME**

Contact Officer: Catherine Pimm, Head of Asset Management and Strategic Projects
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Chief Officer: Marc Hume, Director of Renewal and Recreation
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Ward:

1. Reason for report

The Council's multi disciplinary services consultancy agreement with Frankham Consultancy Group came to an end in July 2010. Since that period the Council has been without a framework consultant.

The Council's spend on consultancy services to assist in delivering the capital programme over the next 4 years is estimated to be in the region of £3-4 million.

The Authority, along with other London Council's has been involved in initiatives to create pan-London purchasing agreements for this type of service.

This report seeks agreement from the Executive to utilise these purchasing agreements and to enter into the Haringey Council led Construction Related Consultants Services (CRCS 2012) Framework Agreement and the LB Lewisham Framework Agreement for Construction-Related Consultancy Services.

2. **RECOMMENDATION(S)**

2.1 To agree the proposed strategy for the procurement of multi disciplinary consultancy services for the delivery of the Council's Education Capital Programme and other capital building works.

- 2.2 To authorise the Director of Resources to negotiate and enter into the Access Agreements under the Construction Related Consultants Services (CRCS 2012) Framework Agreement led by Haringey Council and the LB Lewisham Framework Agreement for Construction-Related Consultancy Services in accordance with clauses 3.6.1 and 13.1 of the Council's Contract Procedure Rules.

Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Children and Young People Excellent Council Supporting Independence Vibrant, Thriving Town Centres
-

Financial

1. Cost of proposal: Estimated Cost £3-4m over a 4 year period
 2. Ongoing costs: Non-Recurring Cost:
 3. Budget head/performance centre: Capital programme (Various Portfolios)
 4. Total current budget for this head: £9,769,662 (Education confirmed 2011/13) with a possible £24m across ECS and other Departments over the next 4 years.
 5. Source of funding: Basic Need Capital Grant/ other project funds within the capital programme
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Staff

1. Number of staff (current and additional):
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: None:
 2. Call-in: Applicable:
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected):
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments:

3. COMMENTARY

- 3.1 The Council uses architectural consultancy services to deliver its capital building projects. The Council previously had a services consultancy agreement with Frankham Consultancy Group, which came to an end in 2010. Since then the Council has been without a framework consultant and has tendered each contract separately in line with its Contract Procedure Rules.
- 3.2 Over the next 4 years the Council is planning to deliver up to £19 million of capital projects through Basic Needs Capital Grant as part of its programme to deliver sufficient school place across the borough and potentially up to £5 million of schemes for other departments. The framework will be available to other Council divisions seeking to source multi-disciplinary consultancy services.
- 3.3 Due to the pressure for pupil places and transformation of the Council's capital estate, some of these projects have already been initiated and it is critical to their successful completion that the Council is able to secure suitable consultancy services.
- 3.4 The Council's spend on consultancy services to deliver the capital building projects over the next 4 years is estimated to be in the region of £3-4 million.
- 3.5 Several different options have been considered to procure these services. They are:
- Option 1: Carry out an in house tendering exercise to procure a new framework agreement
- Option 2: Tender consultancy services for each project separately
- Option 3: Enter into Access Agreements for existing Consultancy Services frameworks with L B Haringey and L B Lewisham.
- 3.6 The advantages and disadvantages of each option are shown in the following table:

	Advantages	Disadvantages
Option 1	Bespoke framework to suit Bromley's particular requirements Standardised documentation and increased efficiencies through reducing the time that officers spend agreeing specifications and producing contracts.	Time, staff resources and expertise are not available to prepare the necessary documentation and carry out a tendering exercise. If a single consultant arrangement was chosen, concerns about the ability to demonstrate value for money and continuous improvement.
Option 2	Competitive tenders Greater market choice	The time delays and resources required to procure consultancy services for each project would be unacceptable. EU procurement rules apply to services over £173k. This means that EU procurement would have to be undertaken for consultancy services on any construction project over approximately £1.1m Compliance with EU procurement rules could take 3-6 months to complete and add a cost £5,000 -10,000 to each project. Non compliance with Contract Procurement Rules relating to sub division of similar works and aggregated spend. Having to negotiate new contract documentation with each consultant.
Option 3	Suitable Framework Agreements are in	Compliance with the lead authority's reporting/KPI

	<p>existence.</p> <p>Framework Agreements have been advertised in the Official Journal of the European Union (OJEU) and comply with relevant EU procurement regulations</p> <p>Standardised documentation, increased efficiencies through reducing time officers spend agreeing specifications and producing contracts.</p> <p>Collaborative working with other local authorities to deliver improved consultant performance.</p> <p>Mini Competitions within the framework secure competitiveness and less time consuming than a full tendering process.</p>	<p>requirements.</p> <p>Mini competitions also have time and resource implications, although not as extreme as those under Option 2.</p>
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- 3.7 On analysis, taking the advantages and disadvantages into account, officers have concluded that Option 3 is the preferred option. It is proposed that the procurement strategy adopted is the procurement of professional consultancy services through existing London frameworks. The use of mini-competition under one or other of the frameworks will reduce the time taken to procure consultants whilst maintaining competition as a key aim of delivering best value. Project Officers in liaison with the client departments will determine, which Framework and Lot is most appropriate for the proposed project. Entering into either Access Agreement does not tie the Council into exclusively using either the Haringey or Lewisham Frameworks if value for money cannot be achieved or the Council's requirements of a specific project demand a different approach.
- 3.8 The Construction Related Consultants Services (CRCS 0212) Framework Agreement led by Haringey provides access to leading consultancy services providers. It is available from March 2012 to February 2016. The framework is split into 11 Lots that cover:
- Multi-Disciplinary Consultants x 3(in three different cost bands)
 - Architect and Associated Supply Chain for Education Projects x 2(in two different cost bands)
 - Project Management
 - Quantity Surveying
 - CDM Co-ordinators
 - Clerk of Works
 - BREEAM Assessors
 - Client Design Advisors
- 3.9 Management of the framework is led by the Boroughs of Haringey, Barnet and Enfield and their respective ALMOs (Arms Length Management Organisations). A comprehensive performance management framework is central to the framework based on Constructing Excellence KPIs including cross framework monitoring of time, cost, quality and customer satisfaction to ensure

that the framework delivers value for money. This will involve the Council in delivering certain reports to Haringey which may have limited cost and resource implications.

3.10 The LB Lewisham Framework Agreement for Construction Related Consultancy Services is available for use by other Councils within the South East London Procurement Group. It runs for a period of 4 years from 30 April 2012. It is broken down into 22 Lots as follows:

- a. Architect Led Multi Disciplinary Team
- b. Building Surveyor led multi disciplinary team
- c. Building Services Engineer lead multi disciplinary team
- d. Landscape Architect led Multi disciplinary team
- e. Architect
- f. Civil and Structural Engineer
- g. Building Services Engineer
- h. Landscape Architect
- i. Building Surveyor
- j. Quantity Surveyor
- k. Employer's Agent
- l. CDM Coordinator
- m. Kitchen Design(School Related)
- n. Planning Policy
- o. Conservation
- p. Urban Design
- q. Development Management(planning related)
- r. Environmental(planning related)
- s. Legal(planning related)
- t. Chartered Valuation Surveyor-financial appraisal(planning related)
- u. Flood Risk Management and Assessment(planning related)
- v. Real Estate Adviser-agency and commercial property advice

3.11 It is proposed that Bromley enters into Access Agreements with both framework providers.

3.12 L B Bromley signed a confidentiality agreement with L B Lewisham and has received copies of its framework documents and an appraisal has been undertaken. There is a joining fee which amounts to £1,000 per annum.

- 3.13 L B Haringey does not grant access to its documents unless an Access Agreement has been entered into. It is proposed to carry out a full appraisal of Haringey's framework once the Access Agreement has been signed and the documents are available. There is no joining fee, but a percentage of the consultants' fee is paid to the framework provider in lieu of this.
- 3.14 The officer team carrying out the appraisals includes officers from Recreation and Renewal (Strategic Property Services), Education Care Services (Education) and Resources (Legal and Procurement).

4. POLICY IMPLICATIONS

- 4.1 The capital building programme contributes to a number of priorities within the Council's Strategy, "Building a Better Bromley". A significant proportion of the projects proposed support the Children and Young Person's priority of ensuring sufficient school places. Other projects are undertaken to achieve Supporting Independence, A Vibrant, Thriving Borough and An Excellent Council objectives.

5. FINANCIAL IMPLICATIONS

- 5.1 In order to deliver £24m capital projects over the next 4 years, the Council will spend an estimated £3-4m on various construction related consultancy services.
- 5.2 This report is proposing that the Council enters into Access Agreements to procure these services from the existing Construction Related Consultancy frameworks with the LB Haringey and the LB Lewisham.
- 5.3 Work will only be given to consultants that meet the required performance standards set by the framework but the Council reserves the right to carry out further checks to ensure a consultant's financial robustness and performance.
- 5.4 There is a joining fee for the LB Lewisham framework in the sum of £1,000 per annum, which will be 100% funded from the DfE Basic Need Capital Grant. A percentage of the consultants' fees will be paid to LB Haringey in respect of services procured under their framework on a project-by-project basis.
- 5.5 Consultancy Services fees will vary for each project, depending on the value of the project, the Lot used and value for money will be achieved by the use of mini competitions within the frameworks.
- 5.6 Consultancy Services fees are built into the estimated cost of each capital project and are funded from the agreed capital funding as part of the total project cost.

LEGAL IMPLICATIONS

- 6.1 The Director of Resources will enter into the Access Agreements, both of which can be terminated by giving three months written notice. Despite the value of services which may potentially be procured under either or both of the framework agreements the Council's procurement rules recognise at CPR 3.6.1, 7.3 and 13.1 recognise that the prior advertisement and evaluation of suppliers under the framework agreements means that any further waiver of financial regulations is not required. However dependent upon the likely value of individual consultancy services the opportunity may be taken to conduct a mini competition where a number of suppliers on the relevant framework will be invited to submit quotations to the Council in respect of individual building projects.

6.2 The Call off contracts will be between the supplier and the Council and the form/s of contract used will be specified in the framework. This minimises staff time in managing any mini competition or award.

6. PERSONNEL IMPLICATIONS

There are no personnel implications.

8 PROCUREMENT IMPLICATIONS

8.1 The implications of not proceeding with the procurement of professional consultancy services via the route outlined in this report is delay to the Council's capital programme.

8.2 The two frameworks have slightly different scope and requirements and therefore provide additional flexibility in being able to meet the Council's needs, this includes, within the Lewisham framework coverage of some locally based organisations.

9 CUSTOMER PROFILE

9.1 Capital Projects are undertaken on behalf of various departments to facilitate the implementation of the Council's strategic and operational objectives.

Non-Applicable Sections:	None
Background Documents: (Access via Contact Officer)	L B Haringey Access Agreement LB Lewisham Access Agreement and Framework Agreement(Circulation restricted by confidentiality agreement) Frameworks Evaluation Matrix

Report No.
ED12050

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: Executive

Date: 24 October 2012

Decision Type: Non-Urgent Executive Key

Title: **APPROVAL OF PROCUREMENT STRATEGY AND OUTLINE PROPOSAL FOR SCHEME AT RIVERSIDE SPECIAL SCHOOL**

Contact Officer: Robert Bollen, Education Strategic Capital Manager
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Mike Barnes, Head of Access
Tel: 020 8313 4865 E-mail: mike.barnes@bromley.gov.uk

Chief Officer: Assistant Director (Education)

Ward: Cray Valley West – Riverside, St Paul's Cray Site
Clock House – Riverside, Beckenham Site

1. Reason for report

- 1.1 A separate report on the outcomes of consultation on the proposal to expand Riverside School (Orpington) was considered by the Education Policy Development and Scrutiny Committee on 11 September 2012 and agreed by the Education Portfolio Holder. The statutory consultation process will be complete by the end of December 2012 and this report sets out the proposed capital scheme to remodel and expand Riverside School to support the expansion.
-

2. **RECOMMENDATION(S)**

- 2.1 That approval be given to the fully costed appraisal for the scheme at Riverside School.
- 2.2 That approval to value engineer the scheme at project award stage should tenders be excess of the 5% of the approved estimate, be delegated to the Director of Education and Care Services.
- 2.3 That the delegated authority be given to the Director of Education and Care Services and Director of Resources to accept a tender for these works as long as the tender sum can be contained within the budget available.
- 2.4 That the Director of Education and Care Services be authorised to submit planning applications in association with these works.
- 2.5 That the underspend on the capital scheme 'Reconfiguration of Special Schools' be used to contribute to the funding of the Riverside Special School project.

Corporate Policy

1. Policy Status: Existing Policy: Further Details
 2. BBB Priority: Children and Young People: Further Details
-

Financial

1. Cost of proposal: Estimated Cost £1,340,000
 2. Ongoing costs: Non-Recurring Cost
 3. Budget head/performance centre: Basic Need Capital Grant £1,222,000
Reconfiguration of Special Schools Capital £118,000
 4. Total current budget for this head: £9,769,662
 5. Source of funding: DfE Basic Need Capital Grant and Dedicated Schools Grant
-

Staff

1. Number of staff (current and additional): 5 staff from the ECS Department and 3 staff from Recreation and Renewal are involved in the consultation, expansion and building works to varying degrees.
 2. If from existing staff resources, number of staff hours: Approximately 450 based on 1 member of staff working on average 1 day a week for a year and 75 hours in total for the other staff involved in the project.
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Legal

1. Legal Requirement: Statutory Requirement
 2. Call-in: Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): 52 children and their parents/carers.
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Yes
2. Summary of Ward Councillors comments: Ward Councillor views were sought as part of the consultation process on the expansion of Riverside School. All responding Ward Councillors have stated that they support the Proposal.

Cllr John Ince (Cray Valley West)

Whilst I have no problems with an increase in pupil numbers, per se, I do have reservations about the use of land within the Brooks Way Rec. for a vehicular access. Of course this would depend on the details in a planning officer's report as to where the access is intended, but it must be remembered that the park is designated Urban Open Space, so could be a problem.

Cllr Judith Ellis (Cray Valley West)

Riverside is a valued member of the Cray Community and has always worked closely with residents to ensure minimal disruption either during building works or arrival and departures from the School. I am a governor at the School and have confidence that the leadership team has the capacity to make this expansion a success for the children who attend.

Cllr Harry Stranger (Cray Valley West)

Riverside school does a brilliant job with Challenging youngsters as I have seen on my visits. I am confident the school management will fulfil their responsibilities regarding nearby neighbours and the additional children appropriately.

Cllr Nicholas Milner (Clock House)

I support the proposed expansion of Riverside School.

3. COMMENTARY

3.1 Background

- 3.1.1 The project is to provide additional school places at Riverside School following consultation on expansion resulting from the need to meet the increase in the numbers of secondary aged pupils presenting with ASD. The development of the project to provide additional ASD specific secondary places has been overseen by the Executive Working Group for Special Education Needs. The CYP Portfolio Holder approved in principle this case following PDS scrutiny and comments on 20 March 2012.
- 3.1.2 Reports on the use of Basic Need Capital Grant to the CYP PDS Committee on 20 March 2012 and Education PDS on 11 September 2012 have set aside £1.2m to support the required building works at Riverside School and this allocation has been approved by the Portfolio Holder for Education.
- 3.1.3 In the report to the Executive on 11 April 2012 on the Development of Autistic Spectrum Disorder (ASD) Secondary Provision confirmed the draw down from the Council's Basic Need Capital Grant of £1.2m to complete the necessary building works to accommodate the expansion of Riverside School.
- 3.1.4 On the 11 September 2012 the Education PDS Committee reviewed the report Consultation Outcomes: Proposal to Expand Riverside School and following the meeting the Education Portfolio Holder agreed the proposal to expand the school from 1 September 2013 and authorised officers to complete the statutory consultation process. This is expected to be achieved by the end of December 2012.
- 3.1.5 This report now sets out the case for the work that is needed to Riverside School.

3.2 Reason for this Procurement

- 3.2.1 Riverside School has agreed to take 52 additional secondary age pupils with Autistic Spectrum Disorder in a new provision to be provided at the St Paul's Cray site. An appraisal of the additional accommodation required has been undertaken in full consultation with the Head Teacher and Governing Body of the School having due regard to DfE guidance on the accommodation needs of a special school. This has led to the production of an outline scheme with associated costs and programme produced in conjunction with consultants appointed to provide architectural and surveying services for the initial feasibility.
- 3.2.2 A summary of the works at Riverside is set out below:

The School project includes providing additional pupil accommodation through internal remodelling, a new ASD specific entrance and vehicular access, a new performance hall and a Multi Use Games Area (MUGA) that was completed by the school during Summer 2012.

Planning permission has already been achieved by the school for the MUGA and performance hall. Internal works to provide the additional teaching space for September 2012 do not require planning permission. However, the new access route, ASD specific entrance and interface with the new teaching accommodation and hall will require the submission of a further planning permission. A decision on whether to deliver the scheme as a single or two phase scheme will depend on resolving planning issues.

3.2.3 **Timetable**

The project has a minimum 6-month period on site and due to the complexity of working on an already constricted site will require preparatory, design, tender, programming and approval periods. Basic Need Capital Grant is not time limited but it is expected that works will be completed within the year 2013-14 with classroom accommodation at a minimum being ready for September 2013.

In light of these constraints, authority is sought for the Director of Education and Care Services in consultation with the Director of Resources to approve the award of tenders at the appropriate time to meet the individual projects' timescales.

3.3 Stakeholder Consultation

3.3.1 Consultation

The proposal to expand Riverside School has been subject to extensive formal consultation that took place from 11 June to 20 July 2012 with the outcomes from this consultation reported to the Education PDS Committee on 11 September 2012.

The school has been fully consulted on the plans and proposals set out in this report. The school has also endorsed the strategy to procure a contractor using the Authority's approved list arrangements to create a tender list of contractors and market testing of a fully specified and designed scheme of adaptations.

3.4 Key Issues / Risks

3.4.1 The key risks to the project are:

- failure to obtain an acceptable tender. Given the current market circumstances, it is felt that this is a low risk;
- failure to achieve planning permission for those parts of the works that currently do not have consent and the need to re-phase the works;
- failure to meet the service delivery deadlines in order to provide sufficient teaching and other new accommodation by 1 September 2013.

3.5 Market Considerations

3.5.1 The procurement methodology set out below takes account of the strong competition for building works that currently exists in the construction industry.

3.6 Outline Contracting Proposals and Procurement Strategy

3.6.1 An outline specification, cost plan, programme and drawings have been prepared by consultant architects appointed by the Council. Following agreement of this report the Council will need to tender for professional consultant support to complete design and manage project delivery. This will be either through use of an existing London Local Authority consultant framework, subject to the report Procurement Strategy for Multi Disciplinary Consultancy Services for Capital Building Programme also being considered or through an alternative procurement route agreed with the Head of Procurement and Director of Resources. Work will only be awarded to consultants that meet the required performance standards set by the chosen framework, but the Council reserves the right to carry out further checks to ensure a consultants financial robustness and performance.

For construction works the intention is to invite traditional tenders using firms in strict rotation from the Council's approved list arrangements.

- 3.6.2 The tenders will be fully evaluated by the Council's appointed professional consultant who will recommend to the Council, via a formal tender report, which tender should be accepted. Given the nature of the proposed tendering arrangements, price will be the major criteria for selection, given that all the firms invited to tender will be deemed capable of carrying out this work based on their inclusion in the Council's approved list. Quality issues will primarily be covered in the detailed works specification provided, however an element of the evaluation will consider the whole life costing of the proposals made and any additional sustainability issues arising.

4. POLICY IMPLICATIONS

- 4.1 Bromley Council has an established policy for the review and strategic planning of school places and related school organisation. The need to ensure sufficient school places, the quality of those places and their efficient organisation is a priority within the Council's strategy 'Building a Better Bromley' and contributes to the strategy to achieve the status of An Excellent Council. This policy also contributes to key targets within the Children and Young People Services Plan, particularly the outcome that "children and young people are enabled and encouraged to attend and enjoy school".
- 4.2 Community and sustainability impact statements are included in **Appendix 1** to this report.
- 4.3 The Council now requires, as part of its Contract Procedural Rules, the completion of a Gateway review process to inform discussions and reporting around Contracting Proposals.
- 4.4 The elements required to enable a preferred contracting route to be safely determined have been completed and are commented on as appropriate in the body of the report. It is considered that the arrangements identified provide the best fit for the particular circumstances of these projects and should secure value for money in the placement of the construction contract.

5. FINANCIAL IMPLICATIONS

- 5.1 In accordance with current procedures and the Gateway Review Process, the Riverside Expansion scheme requires a fully costed appraisal approved by the Executive.
- 5.2 The scheme's estimated capital costs have been drawn up in conjunction with officers in Strategic Property Services in Recreation and Renewal following scheme appraisal by consultants. A full financial appraisal for the scheme is attached as **Appendix 2** to this report.

Riverside School

Capital Expenditure

	2012/13 £'000	2013/14 £'000	2014/15 £'000	Total £'000
Land Acquisition				0
Contract Payments		1,039		1,039
Multi Use Games Area (MUGA)	85			85
Consultant Fees	80	19		99
LBB Fees		12		12
Surveys and Statutory Fees	23			23
Furniture & Equipment		52		52
Asbestos Contingency		30		30
Total	188	1,152		1,340

Capital Funding

	Total £'000
Basic Need Capital Grant	1,222
Reconfiguration of Special Schools Capital (DSG funding)	118
Total	1,340

- 5.3 The capital programme has an underspend of £118k on the Reconfiguration of Special Schools project which was being funded through the Dedicated Schools Grant (DSG). This included work that was carried out at Riverside School. It is recommended that this surplus funding stream be used to support the current Riverside expansion scheme.
- 5.4 The estimate is based on the latest information available and makes no assumptions on tender prices at this stage. The expansion scheme at Riverside in order to provide ASD specific school places is a priority on the use of the Basic Need Capital Programme and will also be a priority for use of the contingency within the Basic Need Capital Programme should this be required within the limits set out within this report.

Non-Applicable Sections:	Legal Implications, Personnel Implications
Background Documents: (Access via Contact Officer)	<p>Consultation Outcomes: Proposals To Expand Riverside School - 11 September 2012</p> <p>Basic Need Programme Update Report 4 - 11 September 2012</p> <p>Development of Autism Spectrum Disorder (ASD) Secondary Provision – 11 April 2012</p>

COMMUNITY IMPACT STATEMENT

- **What will the impact on local people, contractors and Small and Medium Sized Enterprises?**

The works set out in this report are a mixture of refurbishment and new build. Site access will be from Main Road and the site compound will be located within the school grounds. This will be located in a similar location to other recent schemes at the school and is therefore expected that there will be minimal impact on local people during the construction period. Consultation will taking place with Parks and Recreation and planning officers, Ward Councillors, residents and other interested parties to ensure the ASD specific access route does not impact on the adjacent park or compromise safety of the public highway. The provision of a new performance hall at Riverside School will benefit existing pupils at the school as wells as parents and users of Short Break services delivered by the school. Through the proposed procurement methodology, the works will be given to firms of an appropriate size for works of this nature. A key consideration is that they should be of sufficient size to ensure that they have the financial ability to deal with the turnover involved.

- **Who will be affected by the contract?**

The main beneficiaries will be the pupils with staff, pupils and their parents at Riverside School.

- **Are particular communities/groups likely to be affected differently by the issue?**

No.

- **If there are likely to be adverse or less good implications for any particular communities/groups, what possible actions could be taken to ameliorate these? Are there any resource implications?**

Not applicable.

- **Where it is possible that the contract will have a disproportionate affect on a particular community or group explain the positive/negative effects?**

Not applicable.

Sustainability Impact Statement

All works, including those which are largely of a refurbishment nature, are being designed to meet the appropriate sustainability standards.

LONDON BOROUGH OF BROMLEY

Financial Appraisal Report

1. Purpose of Projects

To provide appropriate fit-for-purpose accommodation for a secondary age ASD specific additional form of entry at Riverside School.

2. Estimated Capital Cost and Phasing

The total estimated capital costs are £1,340,000. Detailed phasing plans will be developed as part of further detailed design and on the outcome of planning applications submitted as part of the scheme.

Riverside School

	20012/13 £'000	2013/14 £'000	2014/15 £'000	Total £'000
Land Acquisition				0
Contract Payments		1,039		1,039
Multi Use Games Area (MUGA)	85			85
Consultant Fees	80	19		99
LBB Fees		12		12
Surveys and Statutory Fees	23			23
Furniture & Equipment		52		52
Asbestos Contingency		30		30
Total	188	1,152		1,340

3. Capital Financing

	Total £'000
Basic Need Capital Grant	1,222
Reconfiguration of Special Schools Capital	118
Total	1,340

4. Revenue Implications

- 4.1 The report considered by the Executive on Development of Autism Spectrum Disorder (ASD) Secondary Provision 11 April 2012 set out the revenue implications of the expansion of Riverside School. Over a seven year period (2012/13 to 2018/19) the cumulative savings to the DSG will be £3,052,000 and £462,378 to the RSG.

4.2 No direct revenue implications for the Council. The School would be liable for any revenue costs that may arise. Schools are revenue funded through the Dedicated Schools Grant, a ring fenced grant designed to support Education services

5 Possible Capital Receipts

None

6. Proposed Timetable

Approval to tender:	February 2013
Estimated start on site:	April 2013
Estimated duration on site:	Minimum 6 months
Target completion date:	September 2013

7. Outstanding Uncertainties

Tendering results are volatile in the current market and certainty at this point cannot be guaranteed.

Delay in procuring a consultant to carry out design post feasibility and employer's agent, quantity surveying, project management and CDM Co-ordination could delay the submission of planning permission and/or the tendering of the construction contract.

Tendering for the construction contractor cannot get underway until the statutory consultation is completed, estimated to be by the end of December.

The outcome of planning applications will inform the scheme phasing and method of contracting and could push the target completion date

8. VAT Implications

None as a result of the schemes in this report.

9. Lead Officer

The Lead Officer for this project is Robert Bollen.

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Constitution Improvement Working Group

Fourth Report



Foreword

In our previous reports we examined the role of the full Council Meeting and suggested ways to make it more relevant to the interests and concerns of our residents. (*1st Report November 2008*). We recommended in our Second Report, reforms to the Portfolio Holder meeting process and as a result the need for more than 40 meetings was eliminated by improving the pre scrutiny arrangements in the PDS meetings. (*2nd Report January 2009*). Our Third Report made a number of proposals to ensure that the Council constitution was reformed with the changes required under the 2007 Local Government Act; these included greater powers and a four year term for the Leader. We also made a range of recommendations with regard to our scrutiny process particularly with regard to the Local Strategic Partnership and its boards. (*3rd Report October 2009*)

Much has happened in the past three years. The creation of a Coalition government, following the inconclusive General Election result in May 2010, has brought new legislation in the shape of the Localism Act which seeks to derogate powers to local communities from central and local government. There has been a welcome reduction in some of the burdens placed on local government and a loosening of the previous standards regime. We have already made recommendations in this area and these have been incorporated into the Council's new arrangements for maintaining and monitoring the conduct of members and officers.

This Report examines whether, in the light of the new dispensation to allow local councils to revert to the committee system, Bromley should discontinue the current governance arrangements. We also examine the case for area committees with regard to planning and environment matters. Although the majority of the working group were opposed to such committees we have left the matter for the full council to debate and decide. Although we have made it clear that we do not support a revision to the committee system we are mindful of the importance that the full council meeting played in that system in making key decisions and we therefore make a number of important recommendations aimed at widening the decision making role of the full council. We have also asked the Director of Resources and Legal Services to prepare detailed recommendations for the working group to consider early in the new year so that we can make further detailed recommendations for incorporation in a revised constitution at the Annual meeting in May 2013.

The other major set of recommendations relates to the use of new technology. The public sector has lagged behind commercial companies in seizing the opportunities for improved communications with customers and for reducing unnecessary costs. The New Technology Working Party, chaired by Cllr Will Harmer, reported nearly two years ago - we have built on a number of their recommendations insofar as they relate to the way members use new

technology. We have also asked the New IT working group to advise on the detailed changes towards the introduction of a relatively paperless system in 2014 through the use of tablets, taking account of the trialled use by some members in the present council.

A handwritten signature in black ink, appearing to read "Nicholas Bennett". The signature is written in a cursive style with a long horizontal stroke at the end.

Councillor Nicholas Bennett JP
Chairman
Constitution Improvement Working Group
October 2012

Acknowledgements

The Working Group thanks Mark Bowen, Director of Resources, Sue Essler, Head of ICT and Graham Walton, Democratic Services Manager, for their assistance and support in preparing this report.

FOURTH REPORT OF THE CONSTITUTION IMPROVEMENT WORKING GROUP

General Purposes & Licensing Committee - 23rd October 2012
Executive - 24th October 2012
Council - 12th November 2012

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1. Executive Summary – Recommendations

- 1. That the present Leader and Cabinet system of governance be retained.**
- 2. That, where PDS Committees and Portfolio Holders are in agreement, Portfolio Holders may make decisions without formal pre-decision scrutiny in the following categories and circumstances -**
 - Appointments made by the Portfolio Holder where there is only one nominee;**
 - Local schemes costing less than £35k which affect only one Ward, e.g.: minor highways schemes, where all Ward Councillors are in support of the proposal;**
 - Contract extensions where there are no performance issues with the contractor and the contract includes a provision to extend;**
 - Contract awards where there has been a gateway review and the award is proposed to be made to the most economically advantageous tenderer;**
 - Contract waivers where the Portfolio Holder is required to agree single tender action;**
 - Matters considered by the Executive where further action can appropriately be delegated to a Portfolio Holder;**
 - Any other matter that the Portfolio Holder can decide under the Scheme of Delegation where there has been no objection from any Member of the relevant PDS Committee.**

All these categories of decision will be subject to the Portfolio Holder circulating his proposed decision to all Members in advance by email as a “minded to” decision; any Member may request that a matter be referred to the relevant PDS Committee before a decision is taken.
- 3. The Working Group reports that there are mixed views on the issue of Area Planning Committees and makes no recommendation.**
- 4. That either the Leader or 9 Members of one recognised political group, or 5 Members across two political groups, be permitted to initiate a debate on any matter of local importance before full Council, prior to an Executive decision being taken.**
- 5. That the Director of Resources and Finance Director be instructed to undertake work to review the policy framework and financial thresholds for Council decision making, so that any changes may be implemented after the Annual Meeting in 2013.**

- 6. That Council should be the appropriate authority to consider major planning applications on the recommendation of the Development Control Committee or at the request of twenty Members of the Council.**
- 7. The Council's e-petition facility be removed but the Petition Scheme otherwise continue un-amended.**
- 8. The scheme of public and Member questions be amended to allow supplementary questions on replies from members of the Council. The timing should remain at 30 minutes, subject to the Mayor's discretion to extend the time.**
- 9. The prohibition on recording of meetings by members of the public be removed, subject to suitable disclaimers and a right for the meeting to demand that recording be stopped.**
- 10. Video cameras should be provided in the Council Chamber to allow the provision of vision as well as sound for overflow rooms.**
- 11. Master recordings be made of full Council meetings.**
- 12. Further work should be undertaken by the New Technology Working Group to examine how Councillors can use new technology more effectively to achieve economies and efficiency as part of a wider assessment of Member support, examples being:
 - (12.1) Encouraging a move from Council-financed fixed line phones and broadband across to mobile phones and use of Councillors' own broadband;**
 - (12.2) Trialling hand held/tablet devices as an alternative to hard-copy deliveries and extending the use of team sites (similar to that used to support this review) to make background portfolio information available on an on-going basis to Councillors rather than providing this only in "for information" agenda reports; and**
 - (12.3) Enhanced presentation facilities to support public access to Council meetings, such as better hearing loops in Civic Centre rooms.****
- 13. Members elected before 2010 should be encouraged to switch away from Council provided landlines to mobile phones.**
- 14. Members should be allowed a monthly allowance for using their personal mobile phones rather than Council supplied equipment for Council business.**

- 15. Tablet computers should be provided to all Members from 2014 and paper delivery stopped.**
- 16. Tablet computers should be provided on request for those members prepared to forgo printed agenda papers.**
- 17. Teleconferencing, skype and similar new technology approaches are endorsed for use at informal meetings wherever practical for those Members who are unable to be present and investigations be made into the legal issues for their use for more formal meetings.**
- 18. All Freedom of Information questions and answers should be made available via the Council's website.**
- 19. Work be initiated to secure a review of Councillor numbers in time for the 2018 election.**

2. Background

2.1 At its meeting on 14th December 2011 the Executive decided to re-constitute the Constitution Improvement Working Group to carry out a short piece of work considering the issues for the Council's Constitution arising from the Localism Act 2011. Ten members of the Council were appointed to the Working Group as follows –

Councillor Nicholas Bennett JP, (Chairman)
Councillor Reg Adams, Liberal Democrat Group
Councillor Graham Arthur, Resources Portfolio Holder
Councillor Julian Benington, Conservative Group
Councillor Eric Bosshard, Chairman, Executive & Resources PDS Committee
Councillor Stephen Carr, Leader of the Council
Councillor Peter Dean, Chairman, Development Control Committee
Councillor Robert Evans, Conservative Group
Councillor Peter Fookes, Labour Group
Councillor Tony Owen, Chairman, General Purposes & Licensing Committee

2.2 Although the Working Group was set up primarily to consider the impact of the Localism Act in relation to issues such as the standards system and options for returning to a committee system, it also considered a number of related issues such as Members' IT, full Council meetings and executive decision making. The Working Group met on five occasions as follows –

- 8th February 2012
- 29th May 2012
- 30th July 2012
- 6th September 2012
- 27th September 2012

2.3 Recommendations on the standards system were reported to the Executive on 20th June 2012, Standards Committee on 19th June 2012 and then to full Council on 25th June 2012 in order that the new system could be approved to start as required on 1st July 2012. Council agreed (i) to endorse the adoption of the Model Code of Conduct produced by the Department for Communities and Local Government as adapted to retain the need to register all interests currently registered including maintaining a register of gifts and hospitality with the existing £25 threshold, (ii) to retain a Standards Committee (comprising the existing Councillor representatives), and (iii) agreed that requests for dispensation should be dealt with by the Urgency Committee.

2.4 The Council decision on 25th June 2012 was supported by means of an officer report based on the Working Group's deliberations. This current report picks up all the other issues considered by the Working Group since its re-establishment in February 2012.

3. Issues considered by the Working Group

(A) Options for Governance

3.1 The Localism Act 2011 set out four possible governance arrangements –

- Leader and Executive (as currently operating in Bromley)
- Executive Mayor and cabinet
- Committee System
- Other arrangements prescribed by the Secretary of State, including a hybrid system. (Any alternative arrangement would need to demonstrate that it would improve local governance and be of benefit if applied in other authorities.)

3.2 We worked to two criteria for selecting the most appropriate governance arrangements for Bromley –

- democratic oversight and involvement;
- efficient, effective, economic and corporate decisions which reach the right conclusions.

3.3 Arguments raised in support of a committee system included -

- committees led to better quality decisions and more challenge of officer recommendations;
- committees allowed all members to have a say;
- committees allowed members to consider matters in more detail;
- scrutiny could still happen under a committee system;
- the policy development role of PDS Committees has not been as effective as hoped;

3.4 Arguments advanced for keeping the existing leader and cabinet model included –

- greater member involvement in decisions;
- greater in-depth knowledge of leading members, especially portfolio holders, executive assistants and PDS chairmen, with more members working almost full-time as councillors;
- many committee decisions were, effectively, taken in group meetings;
- decision making is more member-led than under the committee system;
- pre-decision scrutiny works well and call-ins are rarely needed;
- the system allows for a clear decision-maker to be held responsible but also allows all members to be involved in a strong advisory role;
- the current system is efficient and does not lead to “rogue committees”

3.5 There were a variety of views in the Working Group, but most Members considered that the current system worked well and should be maintained.

There was some support for a committee system, but very little for a hybrid system as it was difficult to see how such a system could operate in accordance with the principles set out in 3.2.

Recommendation 1:

That the present Leader and Cabinet system of governance be retained.

(B) Executive Decision Making

3.6 The Working Group considered whether the current pre-decision scrutiny arrangements for individual portfolio holder decisions could be relaxed to allow the more routine decisions to be made without scrutiny at a Policy Development and Scrutiny (PDS) Committee meeting. These would be issues such as straightforward appointments, local schemes where there was no opposition from ward councillors and the like. Safeguards could include issuing a “minded to” report at least five working days before the decision was taken and allowing such decisions to be “called in” for scrutiny at a PDS Committee. Proposed decisions would have to be emailed to all Councillors, and any Member would be able to ask for a matter to go to the relevant PDS Committee.

3.7 The Working Group agreed to recommend that the system for Portfolio Holder decisions should be streamlined where the PDS Committee and the Portfolio Holder were in agreement.

3.8 The Working Group also noted that new rules on executive decision making came into effect on 10th September 2012. These removed the Forward Plan of Key Decisions in its current form but imposed a requirement for key decisions and decisions made in private by the Executive or a committee of the Executive to be publicised 28 days in advance (unless there were grounds of urgency.) The rules did not apply to individual Portfolio Holder decisions, but did appear to cover all executive decisions made by officers – this was potentially a massive increase in bureaucracy and clarification was being sought on this issue.

Recommendation 2:

That, where PDS Committees and Portfolio Holders are in agreement, Portfolio Holders may make decisions without formal pre-decision scrutiny in the following categories and circumstances -

- **Appointments made by the Portfolio Holder where there is only one nominee;**
- **Local schemes costing less than £35k which affect only one Ward, e.g.: minor highways schemes, where all Ward Councillors are in support of the proposal;**
- **Contract extensions where there are no performance issues with the contractor and the contract includes a provision to extend;**

- **Contract awards where there has been a gateway review and the award is proposed to be made to the most economically advantageous tenderer;**
- **Contract waivers where the Portfolio Holder is required to agree single tender action;**
- **Matters considered by the Executive where further action can appropriately be delegated to a Portfolio Holder;**
- **Any other matter that the Portfolio Holder can decide under the Scheme of Delegation where there has been no objection from any Member of the relevant PDS Committee.**

All these categories of decision will be subject to the Portfolio Holder circulating his proposed decision to all Members in advance by email as a “minded to” decision; any Member may request that a matter be referred to the relevant PDS Committee before a decision is taken.

(C) Area Committees

3.9 Different types of area committee were considered. Members did not support a large scale devolution to area committees as had been tried in Tower Hamlets, but they did consider that allowing some more local decision making at ward level on certain issues, such as local environmental schemes, and possibly local budgets, might be useful.

3.10 Area committees for planning were proposed, as these were common elsewhere and could allow the local differences, for example urban and rural, to be recognised. Some Members felt that there were advantages in terms of better local knowledge and making it easier for committee members to visit application sites as they would be local, rather than borough-wide.

3.11 However, most Members felt that area planning committees could lead to more subjective and inconsistent planning decisions, and could potentially lead to delays in determining applications. There was concern that Members should not determine applications in their own wards and that area committees would be more parochial and self-interested. However, it was also suggested that committees could still be local, but with members not being allowed to determine cases in their own wards.

**Recommendation 3:
The Working Group reports that there are mixed views on the issue of Area Planning Committees and makes no recommendation.**

(D) Enhancing the Role of Full Council Meetings

3.12 Most Members were in favour of enhancing the role of full Council meetings, although one member suggested that it was a mistake to try and make any meeting more interesting. Various suggestions were made, and the Working Group proposed a number of changes set out in recommendations 4 to 11.

3.13 The Working Group supported encouraging more themed debates at full Council with a duty for the Executive to respond to policy proposals. The referral by the Executive to full Council of the Biggin Hill application was cited as an example of a Council meeting which produced real debate and involvement by all Members of the Council. The Executive should also be able to refer major matters to full Council before taking important decisions.

Recommendation 4:

That either the Leader or 9 Members of one recognised political group, or 5 Members across two political groups, be permitted to initiate a debate on any matter of local importance before full Council, prior to an Executive decision being taken.

3.14 The Working Group supported a proposal that the policy framework and financial thresholds be reviewed. One possibility was a cap on the monetary value of decisions taken by the Executive at, possibly, £5m (although full Council currently had to decide on supplementary estimates above £1m, there was no cap on Executive decisions taken within existing budgets.) This needed to be considered in more detail so the Working Group proposes that officers report back in the spring of 2013 so that any changes can be implemented in time for the next Council year.

Recommendation 5:

That the Director of Resources and Finance Director be instructed to undertake work to review the policy framework and financial thresholds for Council decision making, so that any changes may be implemented after the Annual Meeting in 2013.

3.15 The Working Group agreed that major planning applications should be decided by full Council on the recommendation of Development Control Committee – it was suggested in addition that 20 Members could request an application to go to Council.

Recommendation 6:

That Council should be the appropriate authority to consider major planning applications on the recommendation of the Development Control Committee or at the request of twenty Members of the Council.

3.16 The Council had established a Petition Scheme as required by the Local Democracy, Economic Development and Construction Act 2009. Section 46 of the Localism Act removed the duty to have a petition scheme. An annual

report on the operation of the Petition Scheme had been considered by the General Purposes and Licensing Committee, which had referred a number of issues to this Working Group for consideration, including thresholds, timescales and requirements for receiving e-petitions. The Working Group considered that it was important to keep ward Members informed about petitions, but did not see any particular need to change the scheme except to withdraw the Council's own e-petition facility, which had only been used once in two years and was no longer a statutory requirement.

Recommendation 7:

The Council's e-petition facility be removed but the Petition Scheme otherwise continue un-amended.

3.17 The Working Group considered that allowing supplementary questions from Members on replies to public or other members' questions would be useful. It was recognised that this could cause time pressure on occasion, but it was considered that an extension of the time available could be allowed at the discretion of the chairman if necessary.

Recommendation 8:

The scheme of public and Member questions be amended to allow supplementary questions on replies from members of the Council. The timing should remain at 30 minutes, subject to the Mayor's discretion to extend the time.

3.18 The Council's standing orders did permit recording of meetings, but only with the specific consent of the meeting. Although some Members were happy to allow recordings to be made of meetings, other Members commented that there was a danger that debates would be less open, it was difficult to know who was speaking from a recording, and that the public were free to attend most meetings if they were interested. It was suggested that the Resources Portfolio Holder should investigate whether better technology could be provided in the committee rooms to allow transmission of pictures as well as sound to overflow rooms.

3.19 Under the new Executive regulations local authorities were obliged to provide reasonable facilities for the public, as well as journalists, to report on meetings, and a Government press release suggested that this would assist new social media reporting including blogging, tweeting and hyper-local news forums. However, there was an apparent contradiction in that there was also no requirement to allow the taking of pictures or the recording of meetings.

3.20 The reasons for Members not wanting to allow recordings were concerned with fears about inhibiting free and open debate and particular statements being taken out of context or misused against the Council or particular Councillors. Members accepted that it was now harder to prevent discreet recording by members of the public and this was an issue now being addressed in the courts system. Most Members of the Working Group were prepared to allow recordings, including video, to be made by the public, provided that the meeting could require them to be stopped if necessary and

that there were notices to make it clear that recordings should not be misused.

3.21 Members discussed whether the Council should be providing video recordings of meetings. The current pa/microphone system could be extended to allow video recording and internet streaming, and camera technology had advanced with fixed point cameras able to follow individual speakers. The exact costs had not been established, but most Members felt that the Council could not justify expenditure on this, except for conveying pictures to accompany sound to overflow rooms when the Council Chamber was full.

Recommendation 9:

The prohibition on recording of meetings by members of the public be removed, subject to suitable disclaimers and a right for the meeting to demand that recording be stopped.

Recommendation 10:

Video cameras should be provided in the Council Chamber to allow the provision of vision as well as sound for overflow rooms.

Recommendation 11:

Master recordings be made of full Council meetings.

(E) Councillors' IT

3.22 Wi-fi had been installed for all the committee rooms, allowing tablet devices to be used at meetings, and was now in use. A pilot was already being carried out with certain Members using i-pads for meetings with a view to providing all members with tablets in 2014. This would enable provision of paper agendas to cease. The Working Group felt that tablets should be provided now to those Members who were prepared to forgo paper agendas. It was also intended that all Members should move towards having a Council mobile phone rather than a fixed line for Council business. However, some Councillors experienced problems with mobile reception in their areas.

3.23 Other uses of technology were discussed. Members were interested in the use of teleconferencing and skype for meetings (it was suggested that skype worked well for 1:1 meetings, but pictures could prove a distraction in larger meetings.) These facilities were already available. It was noted that wi-fi was good for business, and there were opportunities for developing income from wireless equipment being installed on street lights and other street furniture. It was also suggested that pictures of application sites could be projected during planning meetings.

Recommendation 12:

Further work should be undertaken by the New Technology Working Group to examine how Councillors can use new technology more effectively to achieve economies and efficiency

as part of a wider assessment of Member support, examples being:

(12.1) Encouraging a move from Council-financed fixed line phones and broadband across to mobile phones and use of Councillors' own broadband;

(12.2) Trialling hand held/tablet devices as an alternative to hard-copy deliveries and extending the use of team sites (similar to that used to support this review) to make background portfolio information available on an on-going basis to Councillors rather than providing this only in "for information" agenda reports; and

(12.3) Enhanced presentation facilities to support public access to Council meetings, such as better hearing loops in Civic Centre rooms.

Recommendation 13:

Members elected before 2010 should be encouraged to switch away from Council provided landlines to mobile phones.

Recommendation 14:

Members should be allowed a monthly allowance for using their personal mobile phones rather than Council supplied equipment for Council business.

Recommendation 15:

Tablet computers should be provided to all Members from 2014 and paper delivery stopped.

Recommendation 16:

Tablet computers should be provided on request for those Members prepared to forgo printed agenda papers.

Recommendation 17:

Teleconferencing, skype and similar new technology approaches are endorsed for use at informal meetings wherever practical for those Members who are unable to be present and investigations be made into the legal issues for their use for more formal meetings.

(F) Freedom of Information Requests

3.24 The Working Group discussed the increasing numbers of Freedom of Information (Fol) requests being received. An e-form had now been introduced to channel requests to the right departments and officers were working on frequently asked questions (FAQ's.) The Council could only charge for providing answers when it would take 18 hours or more to provide an answer – this was up to about £750 in staff time and therefore opportunity cost. Members suggested publishing all answers so that people could be directed to answers that had already been published

Recommendation 18:

All Freedom of Information questions and answers should be made available via the Council's website.

(G) Councillor Numbers

3.25 The Working Group considered the process for reducing Councillor numbers through a review by the Boundary Commission for England. Any changes would have to be made at election time, and it was accepted that it was now too late to be seeking changes for 2014. Members felt that it was worth carrying out further work with a view to securing changes for 2018.

Recommendation 19:

Work be initiated to secure a review of Councillor numbers in time for the 2018 election.

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Agenda Item 12

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Agenda Item 13

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