

**EXECUTIVE AND RESOURCES
POLICY DEVELOPMENT AND SCRUTINY COMMITTEE**

Minutes of the meeting held at 7.00 pm on 3 September 2015

Present:

Councillor Simon Fawthrop (Chairman)
Councillors Nicholas Bennett J.P., Judi Ellis, Ellie Harmer,
William Huntington-Thresher, Russell Mellor,
Alexa Michael, Keith Onslow, Tony Owen, Ian F. Payne,
Stephen Wells (Vice-Chairman), Ian Dunn, Angela Wilkins
and David Livett

Also Present:

Councillor Stephen Carr

**189 APOLOGIES FOR ABSENCE AND NOTIFICATION OF
 SUBSTITUTE MEMBERS**

Apologies for absence were received from Councillor Nicky Dykes, and for lateness from Councillor David Livett. Apologies had also been received from Councillor Graham Arthur, Portfolio Holder for Resources.

190 DECLARATIONS OF INTEREST

The following declarations of interest were made –

Councillor Simon Fawthrop declared that as he worked for British Telecom he would stand down should there be any discussion of the IT contract mentioned in the Forward Plan and the Work Programme.

Councillor Keith Onslow declared that he used to work for Zurich Insurance.

Councillor Nicholas Bennett declared that he lived in the same road as Egerton Lodge (minute 205a) but at the other end and he was therefore unaffected by the property.

**191 QUESTIONS FROM COUNCILLORS AND MEMBERS OF THE
 PUBLIC ATTENDING THE MEETING**

No questions had been received.

192 MINUTES OF THE EXECUTIVE AND RESOURCES PDS COMMITTEE MEETING HELD ON 9 JULY 2015 (EXCLUDING EXEMPT ITEMS)

RESOLVED that the minutes of the meeting held on 9th July 2015 (excluding exempt information) be confirmed, subject to the addition of the further information about repeat callers circulated in response to minute 181.

193 MATTERS ARISING FROM PREVIOUS MEETINGS
Report CSD15095

The Committee considered a report summarising matters outstanding from previous meetings. The following matters were raised –

The Customer Services Monitoring Report considered at the meeting on 9th July 2015 had referred to a further report, on Health Checks, due to be submitted in September. The Committee was informed that this report was not yet ready.

Committee Members had previously raised concerns about the quality of committee reports and suggested that this could be considered by the Constitution Improvement Working Group. Cllr Nicholas Bennett, who chaired the Working Group, reported that it was not really a matter for them, but suggested that Members challenge any sub-standard reports at meetings and with directors. Following the report of a Working Group on Report Formats in 2007 training for officers on report writing had been put in place and this included input from Members.

194 FORWARD PLAN OF KEY AND PRIVATE DECISIONS

The Committee received the Forward Plan of Key and Private Executive decisions as published on 11th August 2015. It was noted that there would be a report on Future ICT Arrangements to the Executive's special meeting on 17th September 2015.

Councillor Nicholas Bennett commented with regard to the reports on Beacon House and the award of contracts for capital works at Primary Schools that reports affecting the Education Portfolio should be programmed to go through the Education PDS Committee before being considered by the Executive. Councillor Ian Payne made similar comments concerning the proposed report on the Civic Centre Development Strategy and the Renewal and Recreation PDS Committee.

195 CORPORATE CONTRACTS REGISTER

The Committee received a summary of the Corporate Contracts Register. The Register was set out in a new and interim format due to a change in the CRS e-system provider and a new CRS software implementation programme being underway. As such, the format was in line with the reporting format to the

Commissioning Board and included all contracts above £50k. There were four data sets:

- Data Set A for contracts with and end date of 2015/16;
- Data Set B for contracts with and end date of 2016/17;
- Data Set C for contracts with and end date of 2017/18; and
- Data Set D for contracts with and end date of 2018 onwards.

Contracts over £500k in value were highlighted in blue. Contracts approaching renewal where corporate scrutiny had highlighted concerns regarding officers' ability to conclude future arrangements prior to the renewal deadline were flagged as amber or red. A Member commented that the schedules should be amended to reflect risk more clearly.

It was confirmed by officers that a schedule of rates for reduced specifications was routinely sought in the tendering process, and contracts could be changed where necessary through a variation order.

Councillor Ian Payne requested a list of contracts for the Renewal and Recreation Portfolio. It was confirmed that each PDS Committee would continue to receive regular updates on contracts within its own portfolio, but officers agreed to circulate the data sets broken down by Portfolio to PDS Chairmen.

Councillor Keith Onslow commented that the three Insurance contracts due to end on 30th April 2016 should all be extended for a year and tendered together with the main liability insurance. Officers advised that this option had been explored but would not comply with EU Regulations and confirmed that it was the intention to bring all expiry dates into line so that they could all be tendered together in future.

The Committee decided to continue considering details of a particular contract in Part 2.

196 QUESTIONS TO THE PORTFOLIO HOLDER FROM MEMBERS OF THE PUBLIC AND COUNCILLORS ATTENDING THE MEETING

No questions had been received.

197 RESOURCES PORTFOLIO - PRE-DECISION SCRUTINY

197.1 TREASURY MANAGEMENT - Q1 PERFORMANCE 2015/16 AND INVESTMENT STRATEGY REVIEW

Report FSD15049

The Committee received a report summarising treasury management activity during the first quarter of 2015/16 and recommending changes to the Council's Treasury Management Investment Strategy. The report also included an update on the Council's investment with Heritable Bank.

The Committee noted that the Council's two investments in diversified growth funds had performed very well in the quarter to 31st March 2015, but had since lost value. Councillor David Livett questioned whether a wider range of investments could be used such as lowering the minimum credit rating to include BBB rated investments. Officers confirmed that this could be reviewed as part of the annual investment strategy.

RESOLVED that the Resources Portfolio Holder be recommended to note the actual Treasury Management performance in the quarter ended 30th June 2015 and recommend to Council an increase in the total investment limit for pooled investment vehicles from £25m to £40m.

(Councillor David Livett recorded his contrary vote against investing in diversified growth funds.)

**197.2 CAPITAL PROGRAMME MONITORING - 1ST QUARTER
2015/16
Report FSD15050**

At its meeting on 15th July 2015 the Executive had received the first quarterly monitoring report for 2015/16 and agreed a revised capital programme for the four year period from 2015/16 to 2018/19, including changes to programme for the Resources Portfolio.

The Committee noted that an extra £43k had been required for the Windows 7 rollout due to unforeseen costs which had been vired from the scheme for the financial systems upgrade.

RESOLVED that Resources Portfolio Holder be recommended to note and confirm the changes to the Resources Capital Programme agreed by the Executive on 15th July 2015.

198 SCRUTINY OF THE LEADER OF THE COUNCIL

The Leader gave an update on the following key issues facing the Council –

Integration of health and social care: Positive discussions had taken place with the CCG and Kings and there was a general willingness to work together towards an integrated system based on the needs of the borough.

Generating income and producing jobs: Improving town centres, creating jobs, investing and producing business rate growth all remained priorities.

Encouraging residents to take on more responsibility: Bromley had been successful in developing Friends Groups and nurturing a relationship with residents, and the Council would continue to work with the voluntary sector, churches and youth groups. The Studio in Beckenham had now reopened after many years, offering fantastic facilities for the community.

Civic Centre site: The Leader apologised to Cllr Payne that he and the Renewal and Recreation PDS Committee had not had an opportunity to comment on the report on the Civic Centre site. The timetable for consultation on the Local Plan meant that the Civic Centre proposals needed to be considered at a special meeting of the Executive on 17th September.

Community Infrastructure Levy: The Council was almost ready to announce its strategy for the Community Infrastructure Levy.

Building a Better Bromley: The Council's aim was to be excellent in the eyes of residents, and it was important that residents understood why changes were being made to services.

Budget: The message from central government on grant funding was mixed, with hints of an end to austerity followed by further reductions in grants. Budget options should be available by mid to late autumn - the Council would need to continue to find savings. Pressures were increasing – particularly homelessness with many families in temporary accommodation. The Leader had written to Greg Clark MP, the Secretary of State for Communities and Local Government, and was lobbying with local MPs.

The Chairman invited members to question the Leader, and the following issues were covered –

- The Leader reiterated the Council's strategy to use investments to generate income to support services – recent property investments were already producing over £3m income per annum. Property investment was supporting the local economy, but he was seeking a more diverse portfolio of secured investments with a reasonable and balanced level of risk.
- The number of migrants amongst the homeless in Bromley was relatively low. The Leader stated that he met regularly with representatives from Affinity Sutton, and there was little interest as yet from tenants in the recent right to buy proposals.
- Questioned about the budget gap in the next few years, and the need for transparency and detail on the strategy for addressing this, the Leader commented that all budgets needed to be examined and accepted the point that work was need to see that options were clearer and presented earlier; he also wanted to see budgets planned for three years ahead.
- The Leader accepted that the West Wickham Leisure Centre building needed investment, and the options were being considered. He hoped that more information would be available in the coming months.

- Although the structure of the Council's departments had changed, the Leader did not accept that the portfolio structure necessarily needed to change to match this.
- Questioned about train services on the Bromley North to Grove Park line, the Leader stated that he wanted to see consideration of through services to London and this was an issue that London Leaders were sympathetic to.
- Asked to comment on a University of Cambridge study which showed that levels of dementia were stabilising, the Leader stated that this was potentially encouraging, but he had requested a further briefing on this.
- Asked about the pressure of labour costs on developers, and what the Council could do to improve the supply of qualified tradesmen, the Leader agreed that the demand for skilled workers was increasing and the Council ought to be encouraging training.
- Maintaining Bromley's clean and green environment remained a priority, including continuing to work with Street Friends and Snow Friends groups and making waste collection more efficient.
- Asked for an update on the proposals for Biggin Hill Airport, the Leader confirmed that negotiations with the airport had been concluded and a report was being drawn up. The public would be given plenty of opportunity to examine the detail of the report before the matter was debated by full Council in October or November.
- On the problems with the Waste4Fuel site, the Leader stated that the Council was committed to playing a role in resolving issues with the site. The new Ministers were talking to the Treasury and pressure was being applied to the landowners; although the situation was dragging on the Leader hoped that there would be positive news soon.
- The Leader was challenged about the need to monitor the quality of outsourced services. He agreed that it was important to monitor contractors, but also it would sometimes be necessary to reduce the levels of service.
- Asked about the possibility of reducing the numbers of councillors as Council services and staffing reduced, the Leader commented that it was right that this was looked at by the Constitution Improvement Working Group, but there was a view that Bromley should not do this in

isolation and that there was an even greater need for democratic oversight and scrutiny.

- Asked about investment policy and the need to consider levels risk with banks and property, the Leader commented that with interest rates so low the market could not be described as normal, and that there was a level of risk in banking that was not reflected in the low rates of interest on offer.

During this item Councillor Nicholas Bennett declared an interest as the Council's representative on the Board of Mytime Active.

199 PRE-DECISION SCRUTINY OF EXECUTIVE REPORTS
Report CSD15096

The Committee considered the following reports on the Part 1 agenda for the Executive's meeting on 9th September 2015.

(5) Lead Local Flood Authority Update and Grant Draw-Down
Report Es15041

The Committee considered a report on the Council's role as the Lead Local Flood Authority, sought approval from the Executive for the Local Flood Risk Strategy and Action Plan and also sought agreement from the Executive to draw down a sum of £213k from the Central Contingency budget to implement the future works programme.

The report had been deferred from the previous Executive meeting to enable comments from Councillor Nicholas Bennett to be included in full. Councillor Bennett highlighted two issues that he was particularly concerned about – that the Register of Flood Risk Features should be published on the Council's website and that the Council should be more proactive in making riparian landowners aware of their responsibilities. One Member expressed concern that there might be budgetary implications in taking this approach.

A member asked whether flood risk showed up on local land searches – the Director of Corporate Services offered to find out.

RESOLVED that the recommendations be supported subject to the addition of the following further recommendations –

(a) that the Register of Flood Risk Features should be published on the Council's website; and

(b) that a positive programme is undertaken to make riparian landowners aware of their responsibilities and to publicise the Environment Agency document "Living on the Edge."

(6) Schools Programme, Volunteer Manager and Resettlement Officer – Drawdown
Report ES15067

The report sought the release of funds secured from the Department for Communities and Local Government (DCLG) Preventing Homelessness Grant for 2014/15 and 2015/16 to enable Bromley Women's Aid to continue and expand their Schools Programme to develop awareness of healthy relationships and domestic violence.

Some Members raised concerns about whether it was necessary for the State to be addressing children as young as seven years old about domestic violence, and suggested that raising the awareness of teachers might be more appropriate, but others accepted that this was an issue that had to be examined. There was also concern at how outcomes were measured – the Committee was informed that as the funding was provided by the DCLG they had targets in place.

The Committee decided to ask the Executive to note its views about the programme, and it was also suggested that Executive members could be sent summaries of the content of the actual sessions and more details of the DCLG methodology and performance standards.

RESOLVED that the recommendation be supported subject to the Executive being asked to note the comments of this Committee and reaffirm that they are content with the methodology behind this programme.

200 EXPENDITURE ON CONSULTANTS 2014/15 AND 2015/16
Report CEO15010

The Committee had requested a report on expenditure on consultants across the Council. The report presented full figures for 2014/15, covering both revenue and capital expenditure, and expenditure to date in 2015/16. The report also set out the circumstances when it was beneficial to use a consultant and the strict procedure to be used in appointing consultants. It was intended that there would be annual reports at the end of each financial year, with mid-year updates.

RESOLVED that the report be referred to all other PDS Committees.

201 ACQUISITION OF INVESTMENT PROPERTIES
Report DRR15/082

The Committee received a report updating them on progress to date on the acquisition of investment properties to meet the income target of £3m in 2015/16 increasing to £4m in 2016/17.

202 WORK PROGRAMME 2015/16
Report CSD15097

The Committee noted its work programme for 2015/16.

**203 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 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**

204 EXEMPT MINUTES OF THE MEETING HELD ON 9 JULY 2015

The Committee confirmed the exempt minutes of the meeting held on 9th July 2015.

**205 PRE-DECISION SCRUTINY OF EXEMPT RESOURCES
PORTFOLIO HOLDER REPORTS**

The Committee scrutinised the following proposed decision by the Resources Portfolio Holder.

205.1 EGERTON LODGE, 1 & 2 PARK ROAD, BROMLEY

The Committee supported a proposal for the sale of Egerton Lodge, 1 and 2 Park Road, Bromley.

**206 PRE-DECISION SCRUTINY OF EXEMPT EXECUTIVE
REPORTS**

The Committee scrutinised reports on the Executive's agenda for the meeting on 9th September 2015 concerning the award of contracts for Substance Misuse services and the award of a contract for capital works at Beacon House.

207 CORPORATE CONTRACTS REGISTER

The Committee received an update on the ICT Support contact with Capita.

The Meeting ended at 10.01 pm

Chairman