

## TO MEMBERS OF THE COUNCIL

**Notice is hereby given that a meeting of the Council of the London Borough of Bromley is to be held in the Council Chamber at Bromley Civic Centre on Monday 25 September 2017 at 7.00 pm, or on the rising of the special Council meeting if later, which meeting the Members of the Council are hereby summoned to attend.**

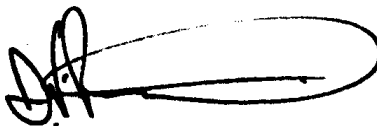
### Prayers

## A G E N D A

- 1 Apologies for absence
- 2 Declarations of Interest
- 3 To confirm the Minutes of the meetings of the Council held on 26th June and 25th July 2017  
(Pages 3 - 38)
- 4 To consider any changes to Committee and Sub-Committee membership as a result of the appointment of the new Leader of the Council
- 5 Petitions
- 6 Questions from members of the public where notice has been given.  
  
*Questions must be received by 5pm on Tuesday 19<sup>th</sup> September 2017*
- 7 Questions from Members of the Council for oral reply where notice has been given.
- 8 Questions from Members of the Council for written reply where notice has been given
- 9 To consider any statements that may be made by the Leader of the Council, Portfolio Holders or Chairmen of Committees.
- 10 First Report of the Education Children and Families Select Committee 2017/18  
(Pages 39 - 62)
- 11 Capital Programme: Renovation Grants - Disabled Facilities Programme  
(Pages 63 - 80)
- 12 London Business Rate Pilot  
(Pages 81 - 104)

- 13 To consider Motions of which notice has been given.
- 14 The Mayor's announcements and communications.

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Chief Executive

**BROMLEY CIVIC CENTRE  
BROMLEY BR1 3UH  
Friday 15 September 2017  
Vol.54 No.5**

## LONDON BOROUGH OF BROMLEY

### MINUTES

of the proceedings of the Meeting of the  
Council of the Borough  
held at 7.00 pm on 26 June 2017

Present:

**The Worshipful the Mayor  
Councillor Kathy Bance MBE**

**The Deputy Mayor  
Councillor Kevin Brooks**

### Councillors

|                       |                     |                         |
|-----------------------|---------------------|-------------------------|
| Vanessa Allen         | Peter Fortune       | Tom Philpott            |
| Graham Arthur         | Ellie Harmer        | Chris Pierce            |
| Douglas Auld          | Will Harmer         | Neil Reddin FCCA        |
| Julian Benington      | Samaris Huntington- | Catherine Rideout       |
| Nicholas Bennett J.P. | Thresher            | Charles Rideout QPM CVO |
| Ruth Bennett          | William Huntington- | Michael Rutherford      |
| Eric Bosshard         | Thresher            | Colin Smith             |
| Kim Botting FRSA      | Charles Joel        | Diane Smith             |
| Katy Boughey          | David Livett        | Melanie Stevens         |
| Lydia Buttinger       | Kate Lymer          | Tim Stevens             |
| Stephen Carr          | Russell Mellor      | Michael Tickner         |
| David Cartwright QFSM | Alexa Michael       | Pauline Tunnicliffe     |
| Alan Collins          | Peter Morgan        | Michael Turner          |
| Mary Cooke            | Terence Nathan      | Stephen Wells           |
| Ian Dunn              | Keith Onslow        | Angela Wilkins          |
| Nicky Dykes           | Tony Owen           | Richard Williams        |
| Judi Ellis            | Angela Page         |                         |
| Robert Evans          | Ian F. Payne        |                         |
| Simon Fawthrop        | Sarah Phillips      |                         |

The meeting was opened with prayers

In the Chair  
The Mayor  
Councillor Kathy Bance MBE

### 14 Apologies for absence

Apologies for absence were received from Councillors Peter Dean, Peter Fookes, Hannah Gray, David Jefferys, Richard Scoates and Teresa Te. Apologies for late arrival were received from Councillors Will Hamer and Sarah Phillips.

**15            Declarations of Interest**

Councillor Peter Morgan declared, in relation to the item on the annual accounts for 2016/17, that his daughter was an employee of Kier.

Councillor Angela Wilkins declared, in relation to the question she would be putting on Crystal Palace Park, that she had been a stallholder at the recent Overground Festival.

**16            To confirm the Minutes of the annual meeting of the Council held on 10th May 2017**

**RESOLVED that the minutes of the annual meeting held on 10<sup>th</sup> May 2017 be confirmed.**

**17            Petitions**

No petitions had been received.

**18            Questions from members of the public where notice has been given.**

Six questions had been received from members of the public. These are set out in Appendix A to these minutes.

**19            Questions from Members of the Council for oral reply where notice has been given.**

Fifteen questions for oral reply had been received from members of the Council. These are set out in Appendix B to these minutes.

**20            Questions from Members of the Council for written reply where notice has been given**

Fifteen questions for written reply had been received from members of the Council. These are set out in Appendix C to these minutes.

**21            To consider any statements that may be made by the Leader of the Council, Portfolio Holders or Chairmen of Committees.**

The Leader of the Council, Councillor Stephen Carr, made a statement on the recent the tragic and horrific fire at Grenfell Tower in Kensington and Chelsea. He had expressed sincere condolences both personally as well as on behalf of the Council to those affected. The Leader stated that the safety of residents was always the highest priority and the Council would work continually with partners in the fire service, police and other organisations to ensure that it kept abreast of safety issues that might affect residents.

Bromley had assisted in several ways – the Chief Executive had spent several days with the team helping to assemble and organise resources, and social workers and housing officers had been deployed to assist. 28 units of temporary accommodation from Clarion had been offered, although they had not been required. The Leader stated that he would be writing to all the staff involved offering thanks for their assistance in these difficult circumstances.

The Council had published a statement on its website and in the media explaining what actions were being taken to reassure residents. In particular, assurances had been sought from the major housing associations with high rise properties in the borough – Clarion, Hyde and Riverside. The largest provider, Clarion, had commissioned a detailed review of all their properties over six storeys. In Bromley, this was nine blocks, but none of them needed to be reviewed in relation to cladding. Other providers had also been contacted and all would be expected to demonstrate that risk assessments had been carried out to the required standards.

The Council had also checked that all other provision was safe – this included temporary accommodation, More Homes Bromley, nightly-paid temporary accommodation, supported housing, care leaver's placements, care homes, schools and other public buildings. The Council's Emergency Planning and Building Control arrangements would be reviewed.

The Leader confirmed that the Council was doing everything possible to get the reassurances that residents needed to ensure that they were as safe as possible, and would take the necessary action to ensure that the situation was remedied where these were not satisfactory. The Leader would be meeting with the Chief Executives of Clarion, Hyde and Riverside later in the week to hear about the work they were doing. He concluded by assuring Members that the Council would continue to monitor the investigation into the fire and would work closely with the Department for Communities and Local Government wherever needed.

**22 Submission of Bromley's Draft Local Plan**  
Report CSD17026

A motion to approve the Draft Local Plan for submission to the Secretary of State for Communities and Local Government for Independent Examination was moved by Councillor Peter Morgan, seconded by Councillor Alexa Michael and **CARRIED**.

**23 Provisional Final Accounts 2016/17**  
Report CSD17092

A motion to transfer a sum of £3,311k to the Growth Fund and transfer a sum of £2m to the Joint Initiatives and Pump Priming (BCF) earmarked reserve was moved by Councillor Graham Arthur, seconded by Councillor Stephen Carr and **CARRIED**.

**24 Treasury Management - Annual Report 2016/17**  
Report CSD17093

A motion to (1) note the Treasury Management Annual Report for 2016/17; (2) approve changes to the Council's Treasury Management Strategy as set out in the report; and (3) approve the actual prudential indicators within the report, was moved by Councillor Graham Arthur, seconded by Councillor Stephen Carr and **CARRIED**.

**25 Fourth Report of the Education Select Committee 2016/17**  
Report CSD17081

The following corrections to the Select Committee's report were noted –

- in recommendation 2, the words “through the regular” should be deleted.
- in recommendation 4, the word “available” should be replaced by “appropriate”.

A motion to invite the Leader of the Council and appropriate Portfolio Holders to consider the recommendations of the Select Committee, refer the recommendations to Service Directors where appropriate and provide a written response to the Education, Children and Families Select Committee for consideration at their meeting in October 2017 was moved by Councillor Nicholas Bennett, seconded by Councillor Neil Reddin and **CARRIED**.

**26 To consider Motions of which notice has been given.**

No motions had been received.

**27 The Mayor's announcements and communications.**

The Mayor thanked Members for all their offers of support and reminded them of the following events –

- The Civic Service on Sunday 9<sup>th</sup> July 2017 at Beckenham Baptist Church.
- The Volunteers Reception on Thursday 27<sup>th</sup> July 2017.
- The first charity event - a dinner at the Lugana Restaurant in Beckenham.
- A fun evening at the Bridge House Theatre in Penge on Sunday 3<sup>rd</sup> September 2017.

The Meeting ended at 8.55 pm

Mayor

**COUNCIL MEETING**

**26<sup>th</sup> JUNE 2017**

**QUESTIONS FROM MEMBERS OF THE PUBLIC**

**(A) Questions for Oral Reply**

**1. From Sam Russell to the Leader of the Council**

Following the tragic events in Grenfell Tower, residents in and around Essex Tower in Penge are rightfully concerned about their safety. Given the privatised nature of the Council's housing stock, is the Portfolio Holder satisfied that the information provided by the housing association is accurate, timely and independently verified?

**Reply:**

Yes, I am satisfied at this stage with the information that I am receiving, given that much of it is being independently provided from organisations outside Clarion. The Fire Services and other specialist contractors are providing independent advice. Not only that, but I have been personally contacted by the Chief Executive Officer of Clarion, not only expressing his heartfelt sympathy for those affected, but also informing me of what they will be doing to reassure local residents of their safety. This goes much beyond some providers in the public sector.

**Supplementary Question:**

I would be interested to know if there is any information that you feel you have not received yet, and if so, when you expect to receive it and, in general, if you feel that there is anything further that is causing you concern that we are not currently aware of?

**Reply:**

Do I know what I do not know? It is a very serious question. I am confident at the moment that we have got most of the boxes ticked, if not more. What I can say is that, and I talk about Clarion because your question is particularly related to accommodation under the Clarion umbrella, I have been on the phone to their Chief Operating Officer this afternoon and I am meeting with their Chief Executive later this week, to ensure that I am even more confident than I am today speaking to you of all the things we can think of. If you would like to contact me and raise any issues that local residents want to deal with I'll pick those up and take them to that meeting. At the moment I am as confident as I can possibly be, without knowing what I do not know.

**2. From Sam Russell to the Leader of the Council**

Given the unique nature of Essex Tower within Bromley, and to reassure residents, would the Portfolio Holder agree to support and encourage some additional inspections led by council officers and the fire brigade and including the housing association?

**Reply:**

In preparing the answer to these questions, I spoke this afternoon with the Head of Corporate Affairs at Clarion who assured me again that all the work that is being done in the light of the Grenfell Tower disaster is being conducted independently.

If, sometime in the future, further reassurance was needed then I would take such action as you are requesting this evening.

**Supplementary Question:**

If there continues to be a concern from residents in and around Essex Tower in the coming weeks and months, would the Leader consider visiting Essex Tower personally to provide some direct reassurance to the residents

**Reply:**

I will do anything I can to try to reassure residents, whether living in Penge or elsewhere in the borough, that they are living as safely as possible. So the answer to your question is yes, of course I will.

**(B) Questions for Written Reply****1. From Sophie Shaw to the Chairman of Development Control Committee**

Given the dire shortage of social and affordable housing in Bromley, why is the Council not enforcing the minimum 35% provision for this type of accommodation on developers?

**Reply:**

Development Plan and national policies do not simply require 35% of Housing to be Affordable housing. They include a viability stage where the developer can seek to demonstrate that the scheme with 35% is not viable unless a lower proportion of Affordable Housing is included. The Council follows those policies and normally refers such cases for an independent check as well before deciding on the application.

**2. From Simon Jeal to the Portfolio Holder for Renewal and Recreation**

Could the portfolio holder please explain why pavement works on Penge High Street have stopped before completion, why they are apparently not going to resume for at least eight weeks and whether the reason for the stoppage is that the contractors completing the work have not been paid?

**Reply:**

Completion of the footway improvements in Penge High Street have been delayed to allow TfL to install the new traffic signals at the Green Lane Junction. The project also includes improvements to Empire Square and Arpley Square, and once the special paving materials for these have been delivered the works will recommence.

**3. From Simon Jeal to the Portfolio Holder for Renewal and Recreation**

After the pavement has been re-laid, could the portfolio holder explain why it is then being dug up again two weeks later by UK Power Networks and how long this further work is expected to take?



**Reply:**

UKPN needed to excavate the footway in Penge High Street to deal with an emergency. The paving will be reinstated in matching materials once their works have been completed.

**4. From Simon Jeal to the Portfolio Holder for the Environment**

Since pavement works on Penge High Street have now stopped, the bollarded-off areas have become full with litter. Does responsibility for cleaning these areas rest with the council and will they commit to ensuring the areas are cleared of litter throughout the eight weeks in which the works have stopped?

**Reply:**

I am advised that the area has been checked by Neighbourhood Management and Highway Network Management since receipt of Mr Jeal's question and that they were unable to locate any areas which were full of litter.

If Mr Jeal could possibly provide further information as to any specific area he might have in mind, ideally via 'Fix My Streets' if possible to ensure the swiftest response, I know that they will be very pleased to recheck the area again at his direction.

Some litter was spotted behind the Heras fencing next to the old toilet block and that will be removed presently, if indeed it hasn't been already.

The contractor responsible has been reminded that the barriers left on site around the lamp column need to be checked daily until this work is completed.

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**COUNCIL MEETING**

**26<sup>th</sup> JUNE 2017**

**QUESTIONS FOR ORAL REPLY FROM MEMBERS OF THE COUNCIL**

**1. From Councillor Nicholas Bennett JP to the Portfolio Holder for Public Protection and Community Safety**

What action has been taken by the Police and Ward Security in the light of the reports of knife point robberies of bicycles in West Wickham, Hayes and other parts of the Borough?

**Reply:**

Once we were made aware that there were incidents of ASB having taken place in Blake's Recreation Ground, Ward Security were tasked to undertake site visits as often as reasonably practicable.

Ward Security has undertaken the following amount of patrols at Blake's Recreation Ground in West Wickham -

- |           |                    |                                  |
|-----------|--------------------|----------------------------------|
| - April - | 14 Patrols         | - 3 reported Incidents           |
| - May -   | 7 Patrols          | - No reported incidents          |
| - June -  | 5 Patrols to date. | - No reported incidents to date. |

In particular, Ward Security attended Blake's Recreation Ground on the 21<sup>st</sup> April, as part of their patrols an evicted a large group of youths causing ASB.

Please be advised that Ward Security do not patrol the Borough's Streets in relation to reported knife point robberies of bicycles as this is a Police function. They will of course respond to and assist the Police if called to assist.

With regards to crime levels in West Wickham Ward, in the 9 weeks running up to and including the school Easter holidays (the time period to which I understand the question relates), there were

- 4 crime reports for theft of a cycle (two of these bikes were left unsecured and unattended outside KFC);
- 3 crime reports for robbery.

There was no mention of knives being used in any of these crimes.

At the time of this increase in crime, additional patrols were undertaken by the Police in this ward and plain clothes officers made an arrest off the ward in Croydon Road Recreation Ground in Beckenham, where they successfully apprehending suspects for a robbery there.

As a response to the community concerns Bromley Council's Community Safety Team, Inspector Byfield and the Safer Neighbourhood Team (SNT) met with a representative of the local parents to discuss what has been done and what young people can do to stay safe. The SNT also organised a community event on 23<sup>rd</sup> June at St Francis Church Hall

alongside the regular market. This provided local residents with access to various police officers and local agencies for advice, support and reassurance.

The local Police and Ward Security are aware of the upcoming summer holiday period and will factor this into team tasking. The Police and local authority have supported a group of local parents to compile a personal safety leaflet specifically for young people which will be offered to all schools in the borough; this leaflet covers advice and information on how to stay safe, as well as what to do in the event of a crime taking place and who to call. This has been funded by the Bromley Safer Neighbourhood Board.

The police, as always are available to speak with at local surgeries, on their telephone number and can be followed on twitter for current information on what they are doing.

Within the local authority, the Trading Standards Team are refreshing the Blade Safe Initiative. This involves visits to stores selling knives to ensure traders are complying with age related requirements and that all consumers are over 18 years of age.

**Supplementary Question:**

I met, with Mark Brock, forty parents at the Railway Inn in West Wickham in April. Mention of knives was made there, I understand that they may not have been reported at the time. Can we ensure that when we do come to the summer holidays that the excellent work being done by Angela Mumford of our Council with the parents is followed through, and that parents are aware that if there is any incident whatsoever they should report it directly to the Police rather than just passing it on amongst themselves because that is the way that the Police can get accurate information and intelligence on what is happening.

**Reply:**

Yes, you are absolutely right. It became clear at that meeting in April that a lot of these crimes were not being reported. If they are not reported to the Police they do not know they are happening and we do not know they are happening and we cannot tackle the problem. Part of the leaflet that the Safer Neighbourhood Board has just, on Friday, got funding from MOPAC for is to educate young people on who to call how to report a crime – that is very important. I think what happened in that meeting in April is that, although some of the victims of crime who said that they had been held at knifepoint, although they lived in West Wickham the actually those crimes occurred elsewhere in the borough or in Croydon. Concerning that parents group meeting, I had an email last week from Sarah Armstrong and there is another meeting being set up next week or the week after, which Amanda Mumford will be going to and I will be going too.

**2. From Councillor Peter Fookes to the Leader of the Council**  
(In Councillor Fookes' absence a written reply was given)

What discussions have been held with the Mayor's Office with regard to the future of Crystal Palace Park?

**Reply:**

I attended a meeting with Deputy Mayor Jules Pipe this year on 15<sup>th</sup> May 2017 namely to provide an update on the Regeneration Plan and discuss the future of the National Sports Centre. This followed the Deputy Mayor's visit to the Park on 29<sup>th</sup> September 2016.

The discussions with the Deputy Mayor have focussed on the importance of the GLA resolving the future of the National Sports Centre, an important regional leisure facility, and ensuring no future conflict with the Regeneration Plan, which has been progressed by the Council.

Discussions also took place prior to the Mayor of London sending letters to the Big Lottery, Heritage Lottery Fund and Sport England this year regarding additional capital funding for the park.

There are regular meetings at officer level and the GLA's officers attend the Council's project monitoring meetings with AECOM, public consultation events and open days, and the Shadow Board meetings.

### **3. From Cllr Ian Dunn to the Portfolio Holder for Environment**

What is the total number and value of the Penalty Charge Notices identified as being issued as a result of malpractice or issued by Civil Enforcement Officers who did not have the right to work in this country, in the report by the Royal Borough of Greenwich into our former parking enforcement contractor?

#### **Reply:**

Council questions which require the disclosure of exempt confidential information can be rejected.

Here, the audit report has been reviewed by the Information Tribunal and consideration is being given on whether or not to appeal - until the period for considering the appeal expires (that is 35 days from the 9<sup>th</sup> June) any confidential information in the report remains confidential.

Having said that, the Member will be aware that the Council's Audit Sub-Committee did consider and accept Counsel's advice that the PCN's the Member refers to were lawfully issued. If the Member had concerns on that advice it should perhaps have been raised 2 years ago when it came before Members.

#### **Supplementary Question:**

Having had the first appeal against the Information Commissioner's decision dismissed recently, and with the potential to have a further appeal higher up the legal chain, if a decision is not taken to go higher up the legal chain will you commit to publishing the information which I have asked for within the statutory timescale?

#### **Reply:**

I am happy to give that assurance, we will obviously comply with any due aspect of law.

### **4. From Cllr Angela Wilkins to the Portfolio Holder for Environment**

Whilst there may be a 'de facto' contract, have you managed yet to find the Waste Services contract (the full contact as required to be kept under legal seal) which was identified as missing in a recent internal audit and which I asked about at the last full Council?

#### **Reply:**

The candid answer is "No", and neither am I looking for it.

Securing and retention of such documents is a function of the Chief Officer's Legal team.

As has been explained previously, sufficient legal documentation is in place to fully support and enforce the contract in the original document's absence.

**Supplementary Question:**

Given the recent findings of a further Internal Audit report into Streetworks and the similarities between this and the audit report into Waste Services, which identified 15 priority one issues, do you think an internal audit of the Street Cleaning contract might actually reveal similar findings, and would it not be in the interests of the Council Tax payer to request an immediate Internal Audit investigation into the Street Cleaning contract?

**Reply:**

I do not believe so.

**5. From Cllr Vanessa Allen to the Portfolio Holder for Environment**

Further to the question asked at the April Council meeting, please provide information on where in the borough the additional £500k allocated for Environmental Initiatives in the 2017-18 budget is to be spent.

**Reply:**

Various options are currently still being evaluated and Members will be updated as to the various outcomes and recommendations over the course of the coming months.

**Supplementary Question:**

Can you give me any more information on what criteria you are using and when we can expect an update?

**Reply:**

The broad criteria is that we wanted to spend the limited money on the most effective way that produces the most good for residents across the borough. There is not a specific measuring stick. As I said in response to the time lapse, we should hopefully begin to recommend things in the coming weeks. I suspect that they will include projects such as more deep cleanses in the more tightly parked areas of the borough, including Clock House ward; and perhaps in the greener areas of the borough, slightly more environmental things which tick local boxes around parks; perhaps around high streets new bins with greater capacity to reduce overflowing waste. These are the sort of things that we are looking at, without any decisions having been finalised at this stage.

**6. From Councillor Nicholas Bennett JP to the Portfolio Holder for the Environment**

How many electric car charging points there are in the Borough and if he will list their locations?

**Reply:**

**There are 9 ULEV/EV charging points sites (with 5 proposed), located in the following streets -**

| Location         | Number of Spaces | Status |
|------------------|------------------|--------|
| <b>Car Parks</b> |                  |        |
| Civic Centre     | 2                | Active |
| The Hill         | 2                | Active |
| St Georges       | 2                | Active |

|                        |   |        |
|------------------------|---|--------|
| Penge East             | 2 | Active |
| New Beckenham          | 2 | Active |
| Burnt Ash              | 4 | Active |
| Hayes Station Approach | 2 | Active |
| <b>On-street</b>       |   |        |
| The Meadway            | 2 | Active |
| South Hill Road        | 2 | Active |

### Proposed new EV charging point locations

| Location         | Number of Spaces | Current Status                      |
|------------------|------------------|-------------------------------------|
| <b>On-street</b> |                  |                                     |
| Glebe Way        | 3                | Free parking- could add P&D as well |
| Thicket Road     | 3                | Free parking                        |
| Ravenscroft Road | 3                | Free parking                        |
| The Avenue       | 3                | Free parking                        |
| Brunswick Place  | 3                | Free parking                        |

There is a total of in the region of 35 actual points. We are looking at the evolving technology around the GULCS which is the roll out of far more electric points across the borough to meet the rising demand. Bromley is sixth on some measurements, and eighth on another, of demand for these new sites. What we want to do is to get them where they are serving a purpose without blocking up a parking space where they are not going to be as badly needed as in other places. It is an evolving feast that we are dealing with and you will see much more of this not only in Bromley but across London over the course of the next few years.

#### Supplementary Question:

I am sure that the Portfolio Holder agrees that electric cars are the coming thing, and they are going to take off very quickly in the next few years, particularly as people are concerned about clean air. Would it not be a good idea if we could publicise these, perhaps in his excellent "Environment Matters" newsletter so that the public can be very clear about where they can go to charge their cars.

#### Reply:

Yes, there is absolutely no reason why this should not be publicised. There is no point having these charging points if people do not use them. We should steer people towards them, and I will remind officers of the suggestion for the impending "Environment Matters."

#### Additional Supplementary Question from Councillor Simon Fawthrop:

Is the Portfolio Holder aware of a new scheme involving lamp post charging – will he look at that and make sure that there is a report to him and the PDS Committee, so that we can look at that and see whether that might be a cheaper and easier way to put charging points around the borough?

#### Reply:

I am aware of this and the matter was discussed at the London Councils TEC meeting only a week or so ago. One of the concerns about lamp post charging - which is clearly a good thing, particularly in the more tightly built areas of the borough where people do not have off-road parking available to them, and it gives people who live in that type of neighbourhood the ability to charge - is that more and more authorities have moved their

lamp columns to the backline, rather than near the kerb to avoid the volume knock-downs, which cost around £1,000 a time, and there is a problem because the technology works with lamp posts near to the kerb preferred. That is a consideration we will have to carry forward. It is also the case that in an area such as Bromley a large number of properties have significant off-street parking available to them and one would expect in those areas that the residents who have bought into the electric car methodology will be charging their vehicles on their own property. So I think there is broad consensus that there is not a simple one size fits all around this. We will have to plan very carefully about where we install this technology, which is not cheap to install, to ensure that where we do put it has value and purpose and that is what officers are looking at the moment.

**7. From Councillor Peter Fookes to the Portfolio Holder for Care Services**  
(In Councillor Fookes' absence a written reply was given)

What progress has been made on dementia hubs?

**Reply:**

The Bromley Dementia Hub is a service commissioned by the Council with the support of the Clinical Commissioning group as a one stop shop to support Bromley residents diagnosed with dementia and their carers. The Dementia Hub had a soft launch in July 2016, taking initial enquiries from the Memory Clinic only. The service was fully operational by the Autumn of 2016, and whilst the primary route into the hub service is via the Memory Clinic, the Hub service is now available to all Bromley residents with a Dementia diagnosis. The Hub has received a total of 1182 referrals to date (615 from residents with a diagnosis and the remainder from carers), and the service user and carer feedback has been exceptionally positive. Over half of the people referred to the hub have gone on to have 1-1 support. The hub has supported nearly 100 carers to receive training in supporting those with Dementia, as well as provided training to almost 50 care and support staff in dementia awareness.

As the service has been operational for almost a year, the Council and the CCG are collating the first data set to help monitor how the Hub has supported people to remain independent.

**8. From Cllr Ian Dunn to the Portfolio Holder for Resources**

When Adecco came to the May E&R PDS, neither their contract manager nor the officer managing the contract could answer a question on whether compensation would be paid to the Council should Adecco not meet its targets. Can you please confirm the consequences of Adecco not meeting their targets?

**Reply:**

A report was circulated to Members on the E&R PDS following its meeting last month – I would refer you to paragraph 3. It should be appreciated that the contract is mutually flexible to reflect the unique difficulty in recruitment of both temporary and permanent staff in this area. For example, in the last week or so we have secured Adecco's agreement for us to use five other agencies. The real solution is to make Bromley an employer of choice and move away from agency staff altogether. Members will be aware of the many initiatives now being pursued with marked success.

**Supplementary Question:**



You mentioned in your answer that there is an intention for Bromley to be an employer of choice and moving away from the use of agency staff. Do you have a sensible timescale for that to be done and would you be willing to publish, say, a five year plan.

**Reply:**

I am sure that the Deputy Chief Executive will have that information and will have already shared it with the Portfolio Holder and the PDS. That is the way that it will be shown in future, rather like a dashboard with these key figures. In terms of the penalty clause, when you realise that the horse you are riding is dead the logical thing to do is to actually dismount rather than send for a big whip. What we have done instead, in terms of recruitment, improved IT in the frontline - £0.5m spent, break out rooms, and a very successful recruitment day. All this information stemmed from the Dep Reps Forum, which was extremely useful. We were able to give higher pay and merit pay outside national terms, which your party opposed, but we think they are worth more, and should be paid more. I do think it is time to come together and support what is being done, because we are becoming an employer of choice. When the figures are shown to you will see that members of staff from other boroughs are coming to us an employer of choice, which is exactly what we wanted to achieve.

**Additional Supplementary Question from Councillor Angela Wilkins:**

I do not think that the question has been answered. The question comes from the Executive and Resources PDS Committee meeting when no-one knew whether there were any default payments where Adecco did not meet their KPIs. You may not have the answer tonight, but can we please be assured that the answer will be available for the next PDS meeting?

**Reply:**

I can only refer you to the published report – paragraph 3.

**9. From Cllr Angela Wilkins to the Portfolio Holder for Environment**

Given that in excess of £1million has been lost to this Council by poor management of the waste contract with Veolia, will he agree with me that the decision to try to save £60k by allowing Veolia to supervise the weighbridges was an extremely bad one?

**Reply:**

I neither accept the premise nor the factual accuracy of the theoretical figure mentioned in the assertion, nor more generally, so the answer to the question clearly has to be no. It might be helpful to understand where the Member opposite is 'sourcing' her asserted figure from, were she to have a supplementary question.

**Supplementary Question:**

The information came from both meetings of the Contracts Sub-Committee and meetings of the Audit Sub-Committee which I am not a member of but which I attended. The answers are in the paperwork and the documents that go with it.

Is it not the case that contracts like this where there is contractual self-monitoring are very similar to marking your own exam papers. It is perfectly natural to have the potential for the Council to be the loser and therefore we should consider not having self-monitoring in future contracts?

**Reply:**

I am personally more than happy with the current arrangements. Of course, every service across this authority needs to be audited, perhaps more regularly, to spot any errors that might exist, at a far earlier stage in any cycle where contracts might perhaps need attention.

**10. From Cllr Vanessa Allen to the Portfolio Holder for Public Protection & Safety**

A recent News Shopper report highlighted once again the number of food outlets in the borough which have poor ratings for food hygiene, including 4 with zero rating and 68 on one star. In February the Food Standards Agency found over 70 places rated zero or one star, and a year ago 160 rated two stars or fewer. A well known local ice cream producer waited 18 months for an inspection which never happened and then moved premises. This highlights the need for:-

- inspections of new premises
- regular inspections of all premises
- follow up inspections where food standards are poor
- more inspectors

In view of the above can the citizens of Bromley look forward to recruitment of more inspectors in order to safeguard their health, deal with this long running problem, and also to help the businesses concerned to improve and thrive?

**Reply:**

I must clarify that it is the London Borough Bromley Food Safety Team Officers who carry out the inspections, not the Food Standards Agency. With regard the issue of more inspectors, an additional resource was recently deployed to carry out additional inspections of our high risk businesses and officers are currently preparing a business case for additional resources which will be considered through the appropriate decision making process shortly.

**Supplementary Question:**

Bromley's boast that it is committed to providing a good quality service has been shown to be groundless by the FSA report – the audit in April this year. Will the Portfolio Holder undertake to ensure that the FSA recommendations are not only fully carried out, but also that the Council seriously considers recruiting more than the minimum number of staff that are included in the proposals that you are going to be looking at on Thursday?

**Reply:**

I do not agree with your analysis of the report from the FSA. What that report outlines is that the Team have been doing an excellent job with the restricted resources available and it also says in the opening statement how greatly staff are committed to providing a good service for the residents of Bromley. There is currently a business case being put together in response to the report from the FSA and that will be decided upon in mid-July, and hopefully we will have some resources to bolster the Team. Overall, this is a very common circumstance across the whole of the country – there is hardly a borough in the country that has as any Food Safety officers as they would like. We plan to improve that situation for Bromley.

**11. From Councillor Nicholas Bennett JP to the Portfolio Holder for the Environment**

How many car clubs have been established in Bromley and what are their locations?

**Reply:**

There are 14 Car Club vehicles located in the following streets –

High Street, Bromley South, BR1 1DS  
Elmfield Park, Bromley, BR1 1LU  
Sherman Road, Bromley, BR1 3GP  
Station Road, Bromley, BR1 3LP  
Rectory Road, Beckenham, BR3 1HW,  
Copers Cope Road, Beckenham, BR3 1NR  
Langley Road, Beckenham, BR3 4AD  
Kendall Road, Beckenham, BR3 4PY  
Knoll Rise, Orpington, BR6 0DD  
Orpington High Street, Orpington, BR6 0NQ  
Ledrington Road, Penge, SE19 2BA  
Station Road, Penge East, SE20 7BQ  
Witham Road, Penge, SE20 7YB  
Anerley Park, Penge, SE20 8NF

**Supplementary Question:**

I understand that the car clubs are all organised by a private company. Would it be a good idea if the Council, in conjunction with the private company could put a letter round with our logo on to encourage those who want to use car clubs rather than owning the now rather expensive option of using a car.

**Reply:**

The route we have followed hitherto is that buildings, predominantly but not universally new buildings, have been left to advertise their own car clubs on the grounds that the more work we put in the more work and resource and money it will cost the taxpayer. If it felt helpful in future that we help to promote businesses, because fundamentally this is what these things are, they do generate profit, that is something we can look at but that might potentially raise questions about the Council's partisanship around supporting one company over another. This can certainly be looked at, and I am not against it in principle, but it is not as easy as it might seem at face value.

**12. From Councillor Peter Fookes to the Portfolio Holder for Care Services**  
(In Councillor Fookes' absence a written reply was given)

What are the latest figures for homeless households in temporary accommodation?

**Reply:**

1,495.

**13. From Cllr Ian Dunn to the Portfolio Holder for Care Services**

There has been a worrying increase in reports of Bromley residents with care needs not be able to attend services due to cuts in benefits and increases in transport charges. How will the Portfolio holder ensure that no resident will be denied essential services due to financial restrictions?

**Reply:**

I am advised that there is no evidence to suggest that this is the case, and have also been informed that no complaints have been received regarding this matter. Any resident assessed as needing support will also have a financial assessment and those who cannot afford to contribute to their care package will not be required to do so.

#### **14. From Cllr Angela Wilkins to the Portfolio Holder for Renewal & Recreation**

This year, the Crystal Palace Overground Festival moved from Westow Park in LB Croydon to CP Park, delivering a much bigger event on Saturday 18<sup>th</sup> June than in previous years.

The sun was shining, the music was playing, and the event was a huge success. Will the Portfolio Holder join me in congratulating the organisers and the very many local volunteers who did an amazing job in bringing this festival into LB Bromley, so boosting our local economy and providing entertainment for many thousands of families?

**Reply:**

The Crystal Palace Overground Festival was a huge success this year and I would like to join Cllr Wilkins in congratulating Noreen Mehan and everyone who worked with her in delivering this fantastic event in the Park.

**Supplementary Question:**

This was a free festival, and I would like, on behalf of the festival organisers, to thank Cllr Arthur for the grant from the community fund which funded the volunteers and helped them. The festival is free to visitors – it will not make a profit. Will the Council be prepared to consider funding for next year and future years please?

**Reply:**

We will certainly think about it if someone will give us the details.

(The time allowed for questions had expired, but it was agreed that the final question would be considered.)

#### **15. From Cllr Vanessa Allen to the Portfolio Holder for Resources**

As part of the effort to combat global warming and climate change, fossil fuels should stay in the ground and not be exploited. The cost of global warming is often picked up locally, for example in the shape of damage by extreme weather such as storms. Bromley is one of many local authorities investing in companies involved with seeking new fossil fuel resources. As it is possible and indeed almost mainstream nowadays to invest in and make returns from fossil free fuels, please would the Portfolio Holder look into the options and make the appropriate changes.

**Reply:**

The Council's treasury management strategy, which is approved annually by Council, has regard to the DCLG's guidance on local government investments and the CIPFA Treasury Management Code of Practice. The investment strategy specifies that investment priorities are security first, liquidity second, then return.

Within the Council's treasury management investments of around £308m, there is £10m invested in Diversified Growth Funds (DGFs); these are pooled funds which invest in a variety of asset classes and industries. The Council owns units in the fund, but not holdings – we cannot direct fund managers. The DGFs has a total of only £126k in its total portfolio which relates to fossil fuels, or 0.04%, so it is only a very small amount that they actually hold there. It might be that Councillor Allen is referring to the Pension Fund but that is an entirely different matter.

**Supplementary Question:**

This is a growing sector so I would ask again that opportunities are looked at for diversifying the investment that you do know about, and why not look at the Pension Fund while you are doing that?

**Reply:**

You can draw parallels between us and certain other boroughs, Islington, for example, who say that they wish to maximise their influence to promote corporate social responsibility. Their returns over the three year period are 8.9% whereas ours are 14.6%. Indeed you can compare us with any of the sixty areas in our consortium. You can compare Bromley favourably because we are the most successful of the benchmarked areas for one year, three year, five year and ten year investments. That was announced during the last week. It would be kinder to recognise that and compliment the way that our committee system works, the way that the Finance Officers input and the way that our external people, who we monitor very carefully, advise us. It is not our money, it is our employees' money and we are investing it as best we can for their benefit. If we were to ask our employees and our pensioners if they would rather have their pension as it stands, or would they rather have it top sliced in order to pursue some other agenda, they would probably compliment us.

**Additional Supplementary Question from Councillor Simon Fawthrop**

Does the Portfolio Holder agree that it is better to take professional advice and adhere to that, rather than listen to political ideology when making these decisions?

**Reply:**

It is a very fair point. If you look at how this dialogue has been extended over time it is interesting - the Guardian came up with this phrase about leaving fossil fuels in the ground, and actually said it should be 100%, then 80%, then 75%. I think that people were explaining to them that if you leave oil under the ground you will not have plastics or chemical industries which we are dependent on. If you are asking a question starting off saying that all fossil fuels should remain in the ground they should think about what that means.

**Additional Supplementary Question from Councillor Stephen Carr:**

Whether it be our Treasury Management, or our Pension Investment management, we have been enormously successful saving many millions of pounds for Council Tax payers in this borough and also saving many millions of pounds in frontline services for vulnerable people. Am I right in thinking that if we start making these ethical investments we would be putting at risk those frontline services that we have been able to protect, and whether we should ask the opposition parties where they will get the money if they did not have the money to invest in frontline services?

**Reply:**

We are one of only two London boroughs that is debt free. What that means is that when we construct our accounts we have a line item which says interest received. Every other Borough, bar one, has a line item that says interest paid. Whilst they are servicing their debts, we are using our money to secure frontline services, and the amount we are receiving is £14m-£15m a year, which goes straight into protecting frontline services. Other boroughs will reflect on when they borrowed money at very high interest rates and locked into those interest rates - they are carrying crippling levels of debt. £800m is not unusual in certain London boroughs, whilst we are £300m in credit and able to invest money on behalf our Council Tax payers rather than be profligate as other have been.

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**COUNCIL MEETING****26<sup>TH</sup> JUNE 2017****QUESTIONS FOR WRITTEN REPLY FROM MEMBERS OF THE COUNCIL****1. From Cllr Nicholas Bennett JP to the Portfolio Holder for Education, Children and Families**

What progress is being made in investigating my suggestion that the care services and education bus fleets be combined and the schedules be aligned to as to use the same vehicles for both services?

**Reply:**

The subject of amalgamating the two services was also raised at the Education Budget Subcommittee and SENt are required to take a report to that committee later in the year, following a wider strategic review of SEN transport, policy, project initiatives and operations which would include an option appraisal around service amalgamation. This report is expected to be delivered September/October 2017.

**2. From Councillor Nicholas Bennett to the Portfolio Holder for Education, Children and Families**

If he will list the number and percentage of children above the age of 7 in each school receiving free school meals?

**Reply:**

|                                       | FSM NCY 3-6 | Pupil Numbers<br>NCY 3-6 | %FSM   |
|---------------------------------------|-------------|--------------------------|--------|
| Alexandra Junior School               | 27          | 244                      | 11.07% |
| Balgowan Primary School               | 13          | 382                      | 3.40%  |
| Bromley Road Primary School           | 10          | 78                       | 12.82% |
| Churchfields Primary School           | 17          | 226                      | 7.52%  |
| Hawes Down Junior School              | 8           | 301                      | 2.66%  |
| Marian Vian Primary School            | 20          | 350                      | 5.71%  |
| Gray's Farm Primary Academy           | 52          | 226                      | 23.01% |
| OAK LODGE PRIMARY SCHOOL              | 23          | 352                      | 6.53%  |
| The Pioneer Academy                   | 39          | 231                      | 16.88% |
| Wickham Common Primary School         | 5           | 251                      | 1.99%  |
| Burnt Ash Primary School              | 44          | 240                      | 18.33% |
| Harris Primary Academy Kent House     | 47          | 218                      | 21.56% |
| Pickhurst Junior School               | 19          | 512                      | 3.71%  |
| Southborough Primary School           | 36          | 234                      | 15.38% |
| Harris Primary Academy Crystal Palace | 48          | 195                      | 24.62% |
| Valley Primary School                 | 28          | 298                      | 9.40%  |

|                                     |    |     |        |
|-------------------------------------|----|-----|--------|
| Red Hill Primary School             | 59 | 434 | 13.59% |
| St John's CE Primary School         | 24 | 129 | 18.60% |
| Mottingham Primary School           | 55 | 246 | 22.36% |
| Castlecombe Primary School          | 28 | 121 | 23.14% |
| Chelsfield Primary School           | 7  | 60  | 11.67% |
| La Fontaine Academy                 | 10 | 53  | 18.87% |
| Darrick Wood Junior School          | 22 | 383 | 5.74%  |
| Downe Primary School                | 6  | 39  | 15.38% |
| FARNBOROUGH PRIMARY SCHOOL          | 9  | 124 | 7.26%  |
| Green Street Green Primary          | 9  | 247 | 3.64%  |
| Pratts Bottom Primary School        | 3  | 38  | 7.89%  |
| The Highway Primary School          | 17 | 129 | 13.18% |
| Warren Road Primary School          | 16 | 480 | 3.33%  |
| St. Mary Cray Primary Academy       | 49 | 135 | 36.30% |
| Trinity CofE Primary School         | 49 | 249 | 19.68% |
| James Dixon Primary School          | 51 | 217 | 23.50% |
| Leesons Primary School              | 32 | 124 | 25.81% |
| Midfield Primary School             | 50 | 189 | 26.46% |
| Worsley Bridge Primary School       | 42 | 202 | 20.79% |
| Edgebury Primary School             | 10 | 125 | 8.00%  |
| HPA Orpington                       | 50 | 217 | 23.04% |
| Scotts Park Primary School          | 12 | 271 | 4.43%  |
| Oaklands Primary School             | 33 | 270 | 12.22% |
| Clare House Primary School          | 2  | 181 | 1.10%  |
| Perry Hall Primary School           | 31 | 247 | 12.55% |
| Poverest Primary School             | 25 | 130 | 19.23% |
| Bickley Primary                     | 8  | 239 | 3.35%  |
| Manor Oak Primary School            | 37 | 115 | 32.17% |
| Keston C.E. Primary School          | 8  | 131 | 6.11%  |
| Parish C.E. Primary School          | 30 | 342 | 8.77%  |
| St George's CE Primary              | 15 | 191 | 7.85%  |
| Unicorn Primary School              | 8  | 256 | 3.13%  |
| Cudham CE Primary School            | 6  | 57  | 10.53% |
| St Paul's Cray CE Primary           | 40 | 110 | 36.36% |
| St Mark's C.E. Primary School       | 11 | 245 | 4.49%  |
| Chislehurst (CofE) Primary          | 5  | 127 | 3.94%  |
| St Joseph's R.C.Primary School      | 3  | 118 | 2.54%  |
| St Vincent's Catholic Primary       | 7  | 118 | 5.93%  |
| St Philomena's Catholic Primary     | 8  | 121 | 6.61%  |
| St.Anthony's R.C Primary            | 14 | 107 | 13.08% |
| St Peter & St Paul Catholic Primary | 17 | 128 | 13.28% |
| St James RC Primary School          | 2  | 124 | 1.61%  |
| Blenheim Primary School             | 38 | 114 | 33.33% |
| Biggin Hill Primary                 | 10 | 212 | 4.72%  |
| CROFTON JUNIOR SCHOOL               | 37 | 715 | 5.17%  |
| Holy Innocents Catholic Primar      | 12 | 128 | 9.38%  |
| St Mary's Catholic Primary          | 4  | 239 | 1.67%  |



|                          |             |              |               |
|--------------------------|-------------|--------------|---------------|
| Highfield Junior School  | 10          | 376          | 2.66%         |
| Hayes Primary School     | 14          | 385          | 3.64%         |
| Raglan Primary School    | 9           | 243          | 3.70%         |
| Tubbenden Primary School | 12          | 370          | 3.24%         |
|                          | <b>1502</b> | <b>14689</b> | <b>10.23%</b> |

**3. From Councillor Nicholas Bennett to the Portfolio Holder for Education, Children and Families**

If he will give the number of male teachers in each school and the percentage that represents for the primary and secondary sectors overall?

**Reply:**

There are 29 male Teachers in the remaining Community and Voluntary Controlled Schools. This figure includes members of the Leadership Team. The LA does not keep data on academy staff.

**4. From Councillor Peter Fookes to the Portfolio Holder for the Environment**

What is the backlog for tree pruning in the borough?

**Reply:**

There is no backlog in the tree pruning schedule in Bromley, thanks to the thoughtful extra investment to the service, funded by way of taking early Corporate savings during the course of the recent difficult years of 'austerity'.

**5. From Councillor Peter Fookes to the Portfolio Holder for Education, Children and Families**

As it is not on the agenda for this week, when will a report on future school funding be going to committee?

**Reply:**

We are unlikely to hear anything back from the consultation on the National Funding Formula until the end of the Summer, therefore, it is doubtful that a paper on the future of school funding will be ready before the Autumn. This depends on the next steps by DfE and what they come back with.

**6. From Councillor Peter Fookes to the Portfolio Holder for Care Services**

What long term support is available for people who have been subjected to sexual abuse?

**Reply:**

Children's Services:

For children it would be CAMHS support; some young people use Bromley Y if they feel that they do not want to see a mental health service practitioner. In addition there are victim support groups and referrals through GP. The Haven also has referral routes.

Adult Services:

The Local Authority would support the resident with signposting to specialist providers. People deal with recovery in many different ways, any adult can request an assessment for care and support; where the outcome of the assessment indicates their eligibility a care and support plan will be devised with them to support their needs. The individual is likely to be offered a direct payment, so that they can best manage the care and support they require.

**7. From Cllr Ian Dunn to the Portfolio Holder for Resources**

Please provide the number of applications to Bromley's Council Tax Hardship Fund, the number accepted and the total sum paid in each of 2014/15, 2015/16 and 2016/17.

Please describe the way in which the Hardship Fund is publicised to residents who have difficulties paying their Council Tax.

**Reply:**

Unfortunately, it is not possible to advise as to the number of requests made for Bromley's Council Tax Hardship Fund. Whilst an application form is provided for the purpose of claiming, many of the requests for assistance are included in general correspondence or contained on the benefit forms,

The number and value of awards are entered in the table below:

| Financial year   | 2014/15   | 2015/16   | 2016/17    |
|------------------|-----------|-----------|------------|
| Number of awards | 31        | 32        | 99         |
| Value of awards  | £6,644.27 | £7,060.72 | £22,217.36 |

It should be noted that the above figures do not include the removal of court costs and/or bailiff fees.

Bromley's Council Tax discretionary discount policy is entered on the authority's website as is the application form for those wishing to request assistance. Furthermore, revenues and benefits staff are advised to draw the scheme to the attention of possible recipients.

The Revenues and Benefits section has good links with agencies providing advice services to Bromley residents, who as well as being made aware of the scheme have been provided contact details of officers should they wish to discuss a particular application.

**8. From Cllr Ian Dunn to the Portfolio Holder for Resources**

Please provide the cost of defending the Freedom of Information application by a former Civil Enforcement Officer to obtain the Internal Audit report into the Council's former parking enforcement contractor, including the cost of appealing against the

decision of the Information Commissioner on how much of the report could be provided to the applicant, dated 19 September 2016.

**Reply:**

Counsel's fees for the hearing were £8,355 plus VAT. Other costs involved would have been some interim advice and officer time which would be absorbed in the overall time of dealing with the c1,500 FOI requests received annually.

**9. From Cllr Ian Dunn to the Portfolio Holder for Environment**

Please provide a summary of the policies the Council has in place to monitor the compliance of our contractors with health & safety legislation and any specific health & safety requirements in our contracts with them.

**Reply:**

The primary responsibility for complying with health and safety responsibilities sits with our contractors, although this is monitored by Council officers including the production and adherence to method statements and is overseen by the Health and Safety Executive.

Any specific requirements would depend on the contract.

**10. From Cllr Angela Wilkins to the Portfolio Holder for Environment**

Please provide details of how many default penalties have been given for street cleaning by ward and by year, from May 2014 to May 2017.

**Reply:**

These figures are currently being carefully rechecked prior to formal presentation and will be forwarded as soon as they are to hand.

The figures are now set out below -

## **Street Cleansing Notifications & Defaults May 2014 to May 2017**

| <b>WARD</b>                       | May 2014 -<br>April 2015 | May 2015 -<br>April 2016 | May 2016 -<br>April 2017 | May-17    | <b>TOTAL</b> |
|-----------------------------------|--------------------------|--------------------------|--------------------------|-----------|--------------|
|                                   | Defaults                 | Defaults                 | Defaults                 | Defaults  | Defaults     |
| Bickley                           | 6                        | 3                        | 3                        | 0         | <b>12</b>    |
| Biggin Hill                       | 19                       | 0                        | 0                        | 0         | <b>19</b>    |
| Bromley Common & Keston           | 5                        | 1                        | 2                        | 0         | <b>8</b>     |
| Bromley Town                      | 23                       | 2                        | 0                        | 0         | <b>25</b>    |
| Chelsfield & Pratts Bottom        | 0                        | 0                        | 1                        | 2         | <b>3</b>     |
| Chislehurst                       | 15                       | 4                        | 5                        | 1         | <b>25</b>    |
| Clock House                       | 19                       | 3                        | 14                       | 1         | <b>37</b>    |
| Copers Cope                       | 27                       | 0                        | 13                       | 1         | <b>41</b>    |
| Cray Valley East                  | 181                      | 48                       | 56                       | 1         | <b>286</b>   |
| Cray Valley West                  | 148                      | 9                        | 52                       | 1         | <b>210</b>   |
| Crystal Palace                    | 141                      | 5                        | 83                       | 3         | <b>232</b>   |
| Darwin                            | 54                       | 0                        | 0                        | 0         | <b>54</b>    |
| Farnborough & Crofton             | 0                        | 0                        | 1                        | 0         | <b>1</b>     |
| Hayes & Coney Hall                | 70                       | 0                        | 2                        | 0         | <b>72</b>    |
| Kelsey & Eden Park                | 20                       | 1                        | 67                       | 9         | <b>97</b>    |
| Mottingham & Chislehurst<br>North | 20                       | 9                        | 6                        | 1         | <b>36</b>    |
| Orpington                         | 24                       | 2                        | 19                       | 0         | <b>45</b>    |
| Penge & Cator                     | 91                       | 4                        | 51                       | 0         | <b>146</b>   |
| Petts Wood & Knoll                | 8                        | 3                        | 0                        | 0         | <b>11</b>    |
| Plaistow & Sundridge              | 12                       | 0                        | 13                       | 0         | <b>25</b>    |
| Shortlands                        | 10                       | 0                        | 2                        | 0         | <b>12</b>    |
| West Wickham                      | 26                       | 0                        | 52                       | 6         | <b>84</b>    |
| No Ward Data Available            | 67                       | 69                       | 0                        | 0         | <b>136</b>   |
| <b>TOTAL</b>                      | <b>986</b>               | <b>163</b>               | <b>442</b>               | <b>26</b> | <b>1617</b>  |

### **11. From Cllr Angela Wilkins to the Portfolio Holder for Education & Children's Services**

Was the £495,419 transferred from reserves to the CSC recruitment & retention fund included in previous sums allocated to work necessary post-OFSTED inspection or should it be considered as a further additional corrective expenditure?

The Executive has just agreed to spend £915k on "Step up to Social Work", a scheme designed to support recruitment of social workers, and one supported by this Council since 2011. How much has been spent to date on this scheme and how exactly has its effectiveness and value for money been evaluated given the serious problems this council has had recruiting and retaining social workers?

**Reply:**

The transfer of £495,419 from the reserves to the CSC recruitment and retention fund was not included in previous sums allocated to work relating to post-OFSTED inspection.

The funding has been set aside to deal with potential recruitment and retention issues within Children's Social Care, particularly around the recruitment and retention of social workers. Recently this has been an issue for Bromley and this funding will help to alleviate this through elements such as golden hello payments, market premiums and retention payments.

As stated in the report to the last Executive, Step Up to Social Work is a cost neutral initiative funded wholly by the Department for Education. Local authorities are encouraged to club together to form a training partnership with a lead authority. Bromley Council joined the scheme in 2011 (cohort 2) and has since then lead the partnership of 3 authorities in cohort 2; 6 authorities in cohort 3; 7 authorities in cohort 4 and now 6 authorities in cohort 5. Hence the grant from central government (DFE) is for the partnership not just Bromley Council. The lead authority i.e. Bromley Council receives the grant and project manages the scheme on behalf of the partnership.

The programme itself comprises of a post graduate education and work placement supervision, as well as a bursary payment to the student-participants. Currently, the post graduate element is a 14 month programme. It used to be 18 months so it runs over two financial years. To date, the Council has received circa £2.9m from the DFE on behalf of the partnership consisting of £232,666.62 in 2011/12, £440,333.16 in 2012/23, £790,270.89 in 2013/14, £419,063.04 in 2014/15, £251,933.64 in 2015/16 and £780,217.83 in 2016/17.

To date, across the partnership, the total number of trainees supported on the programme is 73 of which 67 (i.e. 92%) were offered employment having successfully completed the programme. The figure for Bromley is 12 out of 14 participants were offered employment. These figures are a good indication that the scheme is a good recruitment source of recruiting newly qualified children's social workers, taking into account the shortness of the course (currently 14 months) compared to the normal qualification route of 3 years' university education. It also represents value for money compared to the previous in-house "Grow your Own Scheme" the Council used to run prior to the cost neutral Step Up to Social Work funded wholly by central government. The In-house scheme was quite pricey because participants were released on their full salary and the participants' posts were then filled by a temporary replacement or an agency worker giving rise to a costly "double whammy" effect.

As we all know the recruitment and retention of children's social workers is an on-going challenge at the local, regional and national labour markets. The Step Up to Social Work programme is part of the wider strategy being adopted at the local and national levels to rebalance the demand and supply of children's social workers. The current disequilibrium means that the retention of children's social workers including the graduates of the Step Up to Social work programme is a real challenge for every local authority. Currently, 6 out of the 12 step up graduates who were offered full employment by Bromley Council are still here. Hence, at the national level the

government is looking to supplement the Step Up to Social Work Programme with a “Return-ship” scheme aimed at bringing back to the profession experienced people who left for a variety of reasons including career breaks, maternities, etc. At the local level Bromley Council has a comprehensive recruitment and retention strategy aimed at shifting the balance in favour of the Council. This is sole responsibility of the Recruitment and Retention Board under the joint leadership and chairmanship of the Director of HR and the Deputy Chief Executive/Executive Director of Education, Care and Health Services. The Board’s objectives include a) improve the retention rate by reducing the leaver’s rate and b) reduce the agency staff usage. A key part of our retention strategy is the “No Quit Policy” and the Exit Interview. In relation to the former, HR and managers arranged a No Quit discussion with potential leavers or flight risk employees who have very good performance track record within 48 hours of informal or formal intelligence that the employee is planning to leave the Council. The aim of the No Quit discussion is to dissuade the employee from leaving the organisation. The Exit interview is equally important and prioritised especially with newly qualified staff including the Step to Social Work graduates. We get good feedback on how to improve the quality of the programme. To improve the quality, quantity and timeliness of the exit interviews HR is about to launch an online exit questionnaire capable of being accessed remotely anytime from any smart device including mobile phones, tablets, ipads, etc.

## **12. From Cllr Angela Wilkins to the Portfolio Holder for Resources**

A recent FOI question revealed that the average increase in gross spend on temporary accommodation in London since 2010 is 53%. (Details here: <http://www.bbc.co.uk/news/uk-england-london-39305950> )

For Bromley, the increase over the same period is 1197% - the highest in London and 360% higher than Wandsworth who experienced the second highest increase. Please provide a full explanation for this astonishing statistic.

### **Reply:**

There is no simple answer to this. In reality it is due to a number of contributing factors:-

Bromley is unique compared to other London Authorities since it became a LSVT authority back in 1992, where its entire housing stock transferred to what was Broomleigh Housing Association at the time. As a direct result, Bromley has less flexibility compared to stock holding authorities who can utilise their properties as they see fit reducing their reliability on the private sector in using Nightly Paid Accommodation (B&B) with additionally still managing their own homeless hostels ensuring quick move-on. Bromley when it had its own housing stock championed “the Right to Buy” campaign which reduced the available social housing stock in borough before transfer.

Additionally in April 2010, there was a deadline set for a 50% T/A reduction target for all local authorities. As such almost every possible permanent housing resource in Bromley went into reducing T/A to meet this target, which in essence left the pot empty.

On 1<sup>st</sup> April 2010, Bromley had 479 homeless households in T/A – only 69 of which were in Nightly Paid Accommodation (B&B)

As of 1<sup>st</sup> April 2017, Bromley had 1438 homeless households in T/A of which 843 were in Nightly Paid Accommodation (B&B)

Total number in T/A has actually increased by 300%, whilst the number in Nightly Paid Accommodation (B&B) has increased by 1221%.

Compounding the issue is the acknowledged rise in homelessness again due to a number of social issues, the impact of Welfare Reform, the reduction of available social housing and number of affordable homes available within London with demand far outweighing supply.

Council/Housing Association lettings in London have reduced up to 50 % since 2010. As a direct result, waiting times in Bromley to secure a property through Homeseekers choice based lettings system is now approximately three years and rising compared to a 12/18 month wait back in 2010. All of which means families are spending longer in T/A than they initially did back in 2010, and more often than not are being placed outside of borough in more affordable areas.

Home ownership is slipping out of reach for most, on average house prices are almost seven times people's incomes. Young people stay longer at home and often as a result get evicted due to increasing tensions. Home ownership is in decline, real house prices have risen 151% since 1996, while real earnings have risen about a quarter as much. Those that managed to buy are now experiencing hugely expensive housing costs and are stretched to their financial limits finding it harder to meet their monthly repayments putting pressures on relationships, which again could result in a homeless application as relationships breakdown.

More families are renting privately which can be incredibly unstable, with soaring rents, hidden fees and eviction a constant worry as a result they turn to the local authority where once they wouldn't have needed to. Landlords can get mandatory possession at the end of the agreed term and increase income by offering to new tenants at higher rent levels to protect their investment resulting in constant loop of homelessness. Those claiming benefits are priced out of market as more often or not the Local Housing Allowance Rate falls way short to cover the rent forcing them to move to more affordable areas away from their support networks or again to the local authority.

Since the 1980's, over 1.5 million properties were sold off in the United Kingdom under the "Right to Buy" initiative, most of which were houses and low rise flats in high demand areas. Insufficient re-investment by all Governments since has contributed to the current housing crisis. The introduction of the Homeless Reduction Act next year will go some way to prevent families being evicted by utilising all known prevention options(at a cost) however it doesn't address the major problem of lack of affordable homes now and for future generations.

The biggest groups applying as homeless are those evicted from private sector as term has ended and family/friends evictions.

**13. From Cllr Richard Williams to the Portfolio Holder for Public Protection**

Over the last few months we have seen over 200 killings of cats and foxes that appear be the victims of the 'Croydon cat killer'. What action is LBB Is taking with our local police and neighbouring local authorities to put an end to this horrendous spree?

**Reply:**

The MPS have a dedicated team of officers working on Operation Takahe which is the investigation into these cat killings. To date they have invested over 1200 man hours and are bringing in a specialist in animal forensic pathology and criminal profiling experts from the National Crime Agency. Locally there are protocols in place should officers be called to any of these types of incidents and there are regular messages given out to our KINS and at Ward Panels in relation to reporting any suspicious activity and incidents involving cats/foxes. SNARL have also offered a £10,000 reward for any information leading to an identification and/or arrest. The Community Safety team helped facilitate a small grant at my request to pay for a print run of 4,000 warning/advice leaflets which were distributed by SNARL in the Bromley area.

**14. From Cllr Richard Williams to the Portfolio Holder for Environment**

Please explain why on-street parking did not deliver the budgeted -for income stream in 2016-17.

As we have experienced delays in delivering both consultations and decisions on various parking proposals in Crystal Palace ward, is your team of officers under-resourced?

**Reply:**

As you should be aware, the Council is not allowed by regulation to raise revenue by introducing on street parking schemes designed for such purpose.

I will take it as given that is not the Labour Group's suggestion or an evolving policy initiative, unless you tell me otherwise.

Annual parking budget projections are only ever an educated estimate of anticipated 'income', figures which will vary annually dependent on whether prospective parking schemes are progressed or rejected following consultation with local people and Ward Members, or indeed whether on street parking levels trend upwards or downwards in line with the wider business cycle and the health of the national economy.

The Council has recently suffered the resignation of a key senior officer within the Parking Design team, a post which is being pro-actively backfilled, so in essence, the answer to your question is no, albeit the Department does remain extremely busy at present.

**15. From Cllr Kevin Brooks to the Portfolio Holder for Public Protection**

Given the recent incident in Penge involving a machete, what additional steps are being taken to stop the escalation of gang related violence in Penge?



**Reply:**

Whilst we believe the incident in Penge involving a machete was an isolated occurrence we are acutely aware of the potential for gang related violence. This week sees MPS wide activity in relation to Operation Sceptre which is specifically tackling knife crime. This involves a number of officers being deployed in plainclothes utilising stop and search combined with high visibility targeted patrols, weapons sweeps and other covert activities. We are also working closely with our partners in surrounding boroughs sharing intelligence and information, in order to identify and combat any rising tensions. Trading Standards will shortly be launching a “Blade Safe” responsible retailer campaign to remind retailers of their responsibilities when stocking and selling knives, which will be followed up with an under-age test purchasing campaign throughout the borough.

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# LONDON BOROUGH OF BROMLEY

## MINUTES

of the proceedings of the special Meeting of the  
Council of the Borough  
held at 7.00 pm on 25 July 2017

Present:

**The Worshipful the Mayor  
Councillor Kathy Bance MBE**

**The Deputy Mayor  
Councillor Kevin Brooks**

### Councillors

Graham Arthur  
Julian Benington  
Nicholas Bennett J.P.  
Ruth Bennett  
Eric Bosshard  
Stephen Carr  
Mary Cooke  
Nicky Dykes  
Robert Evans  
Simon Fawthrop  
Peter Fookes  
Hannah Gray  
Ellie Harmer  
Will Harmer  
Samaris Huntington-

Thresher  
William Huntington-  
Thresher  
David Livett  
Kate Lymer  
Russell Mellor  
Alexa Michael  
Peter Morgan  
Keith Onslow  
Tony Owen  
Angela Page  
Tom Philpott  
Chris Pierce  
Neil Reddin FCCA  
Catherine Rideout

Charles Rideout QPM CVO  
Michael Rutherford  
Richard Scoates  
Colin Smith  
Diane Smith  
Melanie Stevens  
Tim Stevens  
Teresa Te  
Michael Tickner  
Pauline Tunnicliffe  
Michael Turner  
Stephen Wells  
Angela Wilkins

The meeting was opened with prayers

In the Chair  
The Mayor  
Councillor Kathy Bance MBE

### 28 Apologies for absence

Apologies for absence were received from Councillors Vanessa Allen, Douglas Auld, Kim Botting, Lydia Buttinger, David Cartwright, Ian Dunn, Judi Ellis, Peter Fortune, David Jefferys, Charles Joel, Terence Nathan, Ian F. Payne, Sarah Phillips and Richard Williams.

**29            Declarations of Interest**

Councillor Julian Benington declared an interest as a Trustee of the Biggin Hill Museum Trust.

**30            Statement by Rita Radford**

A request had been made by Rita Radford to address the Council. The Mayor invited Rita Radford to make her statement, which was in opposition to the proposals in the following item – Capital Programme: Biggin Hill Memorial Museum.

**31            Capital Programme - Biggin Hill Memorial Museum**  
Report CSD17109

A motion to agree to increase the capital estimate for the Biggin Hill Memorial Museum scheme by £2.666m to a total scheme capital cost of £3.086m was moved by Councillor Peter Morgan, seconded by Councillor Stephen Carr and **CARRIED**.

(Councillor Richard Scoates requested that his contrary vote be recorded.)

**32            Capital Programme - Waste4Fuel Site**  
Report CSD 17 111

A motion to increase the capital budget for the Waste 4 Fuel scheme by £1.880m resulting in a total scheme cost of £4.589m in the capital programme, was moved by Councillor Colin Smith, seconded by Councillor Stephen Carr and **CARRIED**.

**33            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 item 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 summary  
refers to matters  
involving exempt information**

**34            Capital Programme - Housing S.106 Payment in Lieu  
Contributions**  
Report CSD17110

A motion to (1) approve the addition of the £2.5m Affordable Housing Grants scheme to the Capital Programme and (2) approve that the current allocation

of £3m for the Housing Zone remains within the current Capital Programme but is allocated for affordable housing in Bromley Town Centre, was moved by Councillor Diane Smith, seconded by Councillor Stephen Carr and **CARRIED.**

The Meeting ended at 7.53 pm

Mayor

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Report No.  
CSD17115

London Borough of Bromley

PART ONE - PUBLIC

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**Decision Maker:** COUNCIL

**Date:** Monday 25 September 2017

**Decision Type:** Non-Urgent Non-Executive Non-Key

**Title:** FIRST REPORT OF THE EDUCATION, CHILDREN AND FAMILIES SELECT COMMITTEE 2017/18

**Contact Officer:** Philippa Gibbs, Democratic Services Officer  
Tel: 020 8461 7638 E-mail: Philippa.Gibbs@bromley.gov.uk

**Chief Officer:** Director of Corporate Services

**Ward:** All Wards

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1. Reason for report

To report the recommendations made by the Education, Children and Families Select Committee following its first meeting held on 28 June 2017.

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2. **RECOMMENDATION(S)**

**That Council be recommended to:**

1. **Comment on the first report of the Education, Children and Families Select Committee 2017/18;**
2. **Invite the Leader and appropriate Portfolio Holders to consider the recommendations and**
  - (a) **refer the recommendations within the report to Service Directors where appropriate; and**
  - (b) **Provide a written response to the Education, Children & Families Select Committee for consideration at the Select Committee's meeting in January 2018.**
3. **Note the response of the Minister of State for Children and Families regarding concerns that had been raised by the Education Select Committee surrounding the notification process when families with children subject to care planes moved between boroughs.**

### Impact on Vulnerable Adults and Children

Summary of Impact: the impact of this report on vulnerable adults and children is, to date, unclear.

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### Corporate Policy

Policy Status: Not Applicable

BBB Priority: Not Applicable

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### Financial

Cost of proposal: Not Applicable:

Ongoing costs: Not Applicable:

Budget head/performance centre: Democratic Services

Total current budget for this head: £343,810

Source of funding:

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### Personnel

Number of staff (current and additional): 8 posts (7.27fte)

If from existing staff resources, number of staff hours:

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### Legal

Legal Requirement: None:

Call-in: Not Applicable:

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### Procurement

Summary of Procurement Implications:

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### Customer Impact

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

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### Ward Councillor Views

Have Ward Councillors been asked for comments? Not Applicable

Summary of Ward Councillors comments:

|   |   |
|---|---|
| Background Documents:<br>(Access via Contact Officer) | Minutes of the Education, Children and Families Select Committee held on <a href="#">28.06.17</a> and Minutes of the Education, Children and Families Budget and Performance Monitoring Sub-Committee on <a href="#">18.07.17</a> |
|---|---|



**REPORT OF THE EDUCATION, CHILDREN AND FAMILIES  
SELECT COMMITTEE  
2017/18**

**Children’s Landscape in Bromley  
Adult Education Update**

Meeting Date: Wednesday 28 JUNE 2017



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## **1. Introduction**

- 1.1 The Education Children and Families Select Committee met on 28<sup>th</sup> June 2017 to review the Children's Service Landscape in Bromley.
- 1.2 Other issues that Members considered included a report setting out progress on implementing the Children's Service Improvement Plan and an update on Adult Education.
- 1.3 Information Briefings provided to the Select Committee in advance of the meetings included an update on the performance of schools in the Borough, information on changes to legislation relating to children (Children and Social Work Act 2017) and the impact of these changes on the Local Authority, an overview of 30 hours funded childcare for 3 and 4 year olds and a review of high needs arrangements for children and young people with special educational needs and disabilities (SEND) in Bromley.

## **2. Executive Summary of Recommendations**

- 2.1. That the provision of communications support within the Council be reviewed to ensure sufficient capacity to disseminate key messages and information within the Bromley partnership.**
- 2.2 That an in-depth analysis of the Children's Joint Strategic Needs Assessment and a comprehensive review of the changing demography of the Borough be undertaken to inform the provision of services over the next 5 to 10 years.**
- 2.3 That the Leader and Portfolio Holder for Education, Children and Families make further representations, once the review of the changing demographics of the Borough is completed, to the Government to ensure that adequate funding for the Local Authority and its partners to enable them to meet their increasing obligations to vulnerable children and families in the Borough.**
- 2.4 That work to foster a transparent, honest corporate culture to ensure that Members are provided with accurate information to enable them to provide the necessary support to Officers through respectful challenge.**
- 2.5 That maintenance of the office environment be kept under review to ensure that the recent improvements that have been made are sustained and that the working environment is conducive to a happy, healthy and productive workforce.**
- 2.6 That the Local Authority and Bromley Safeguarding Children Board work with partner organisations to actively encourage attendance at and engagement with multi-agency training events.**

**2.7 The Committee supports the need to analyse the impact of early intervention and to develop policies which prevent children from being taken into care or requiring considerable support.**

**2.8 That in the 2018/19 Municipal Year, the Education, Children and Families Select Committee monitor progress made against the issues and recommendations within the reports submitted by the Commissioner for Children's Services in Bromley (in October 2016 and April 2017).**

### **3. Portfolio Scrutiny**

3.1 As part of its regular work the Select Committee was briefed by the Portfolio Holder for Education Children and Families on the engagement and activities he had undertaken since the Committee's last meeting. The Portfolio Holder was questioned on the following matters:

- The mechanisms in place for ensuring that the improvements delivered in the Youth Offending Service (YOS) were monitored and remained on track.
- Common factors contributing to the failure of Bromley Youth Offending Service and Children's Services.
- Concerns raised by Bromley Head Teachers in relation to the impact of the proposed National Funding Formula.
- Accommodation for children from homeless families resulting in long travelling distances to schools for families placed out of Borough in temporary accommodation.
- Update on the abolition of the 50% admissions figure for faith schools.
- Planning for future education sites within the Borough.

### **4. Adult Education Update**

4.1. Carol Arnfield, Head of Service for Early Years, Schools Standards and Adult Education provided the Committee with an update on Adult Education following a restructure of the Service in 2016.

4.2. On 10 February 2016 the Council's Executive endorsed the reorganisation of the Adult Education Service, known as Bromley Adult Education College (BAEC). The reorganisation encompassed a refocusing of the curriculum offer to increase the level of resource used to support vulnerable and disadvantaged communities, a reduction in staffing levels across the service, and withdrawal from the Widmore Centre in Bromley. In August 2016, the Kentwood Centre became the new administrative centre for the Service. The Governing body of BAEC was dissolved at the end of the 2015/16 academic year and a new body, known as the Community Learning Advisory Consortium (CLAC), Chaired by the Portfolio Holder for Education Children and Families, was formed.

4.3. Whilst the restructure has reduced the volume of courses open to public enrolment, BAEC continues to retain a reasonably wide range of provision

# First Report of the Education Children and Families Select Committee

## 2017/18

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within its mainstream offer for members of the public. Up to the end of April 2017, a total of 462 courses had taken place for the 2016/17 academic year. The accredited provision on offer retains a strong focus on English and maths, including GCSE and English for Speakers of Other Languages (ESOL). Managers continue to work in partnership with Job Centre Plus to offer specific training and qualifications for unemployed adults, including Universal Job Match, CV writing, and interview skills.

- 4.4. Work is underway to address any areas for improvement identified during the Ofsted inspection conducted in February 2017. Ofsted concluded that the reorganisation of the Service had been well managed and successful with regard to bringing about a closer integration of the work of adult education with that of the Council. Many of the areas for improvement identified by Ofsted in February 2017 had previously been recognised by the Service as part of its own self-assessment process. Actions to address the issues are built into a quality improvement plan.
- 4.5. The Committee notes that the restructure has helped to focus the work of BAEC, ensuring that it is well placed to help the Council meet its stated aim of focusing support on the Borough's more vulnerable residents and enabling a more joined up approach with that of other Council Services.
- 4.6. Members were pleased to note that although the closure of the Widmore site resulted in the loss of some popular subjects including pottery and jewellery making, a programme of adaptations to the Kentwood and Poverest Centres facilitated the retention of some specialist arts and crafts subjects.
- 4.7. The Committee recognises that a number of pressures on the Service appeared in the Autumn Term following the relocation of key staff and functions. It has taken time for staff to adjust to the different ways of working with much of the Autumn Term taken up with adjusting to the new arrangements. However, more space has been opened up for community use within the Kentwood Centre and this has had a positive impact on the Service.
- 4.8. It is pleasing to note that information provided to the Committee indicates that the Poverest Centre is now better used. The Head of Service for Early Years, School Standards and Adult Education confirmed that feedback from students confirms that they are happy with the wider range of courses available in this community setting. Positive feedback has also been received in relation to the evening classes being run. Pressure still exists around staffing, but managers are becoming increasingly familiar with the increased expectations from Ofsted.
- 4.9. Table 4.1 below demonstrates average daily room usage in 2016/17. The huts on the Poverest site currently remain unusable and whilst the former nursery has been converted into teaching space there are no alternative plans for increasing the levels of accommodation in the future.

# First Report of the Education Children and Families Select Committee 2017/18

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**Table 4.1: Average daily room usage in 2016/17**

|                  | <b>Kentwood</b><br>(out of total 22 rooms<br>across 14 slots) | <b>Poverest</b><br>(out of total 10 rooms<br>across 12 slots) |
|------------------|---|---|
| <b>Monday</b>    | 44%   | 67%   |
| <b>Tuesday</b>   | 65%   | 85%   |
| <b>Wednesday</b> | 64%   | 64%   |
| <b>Thursday</b>  | 50%   | 75%   |
| <b>Friday</b>    | 30%   | 85%   |

- 4.10. Members noted that levels of funding have not changed for 2017/18. This suggests that the provision of courses will be at the same level as in 2016/17.
- 4.11. The Committee notes that there is a retention and achievement element to the funding. The implication of this is that if students drop out of courses any funding is adjusted accordingly. Since the Ofsted inspection, the Service has been monitoring levels of drop off more closely. The Head of Service for Early Years, School Standards and Adult Education has been asked to provide the Committee with data confirming the level of drop off at the end of the 2016/17 academic year.
- 4.12. The Committee further notes that Ofsted had criticised slow progress by leaders and managers in improving the achievement rates in some accredited provision, particularly ESOL courses. In response to this the Service has been investigating techniques that could be employed to prepare better students for their qualifications.
- 4.13. The Committee has asked that a further update be provided when more detail is available around the proposals for a possible move towards sharing backroom operations and a merged hub based structure under the Government's plans for the devolution of funding in the London region.

## **5. The Children's Service Landscape in Bromley**

- 5.1. The Committee's main inquiry for this meeting was 'The Children's Service Landscape in Bromley'.
- 5.2. A range of written evidence was provided to Members in advance of the meeting. This included a report providing an overview of the work of the Bromley Safeguarding Children's Board, a report setting out the role of the Children's Service Improvement Governance Board, a report setting out the aims and objectives of the 'Towards Excellence for Children in Bromley' initiative, a letter setting out the outcome of the third Ofsted Monitoring Visit in relation to Children's Services in Bromley, and an overview of the Bromley Children's Service Department. A written submission had also been received from Ravenswood School and this was tabled at the meeting.
- 5.3. In addition to the written evidence contained within the agenda pack provided to the Committee, and to develop Member's knowledge and understanding of

# First Report of the Education Children and Families Select Committee 2017/18

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the partnership working arrangements for Children's Services in Bromley, the following information was also tabled at the meeting:

- A chart detailing the Children's Service Leadership and Governance Arrangements for Partnership working;
- Terms of Reference for the Safer Bromley Partnership Strategic Group
- The Constitution of the Safer Bromley Partnership
- The Safer Bromley Partnership Strategy 2016-2019
- Bromley Safeguarding Children Board Structure 2017
- Membership of the Safeguarding Children Board (June 2017)
- Youth Offending Service Governance Arrangements
- Membership of the Youth Offending Service Management Board
- Terms of Reference of the Youth Offending Service Management Board

5.4 The Committee heard evidence from five witnesses at the meeting:

- Mr Ade Adetosoye, Deputy Chief Executive and Executive Director of Education, Care and Health Services
- Mrs Janet Bailey, Interim Director of Children's Social Care
- Councillor Stephen Carr, Leader of the Council
- Mrs Isobel Cattermole, Independent Chairman of Bromley's Children's Service Improvement Governance Board
- Mr Jim Gamble QPM, Independent Chairman of Bromley Safeguarding Children's Board

## 5.5 Background to the Enquiry

5.5.1 Between 11 April and 6 May 2016, the Council's services for children in need of help and protection and children looked after were inspected by Ofsted under the 'new single inspection framework'. The judgement published on Monday 27 June 2016, found Children's Services to be inadequate across all reporting categories, including children who need help and protection; children looked after and achieving permanence; adoption; experience and progress of care leavers; and leadership, management and governance. Ofsted made 18 recommendations in relation to improvements within Children's Services in Bromley.

5.5.2 In anticipation of the publication of the Ofsted report, on 16 June 2016, the Department for Education (DfE) issued a Direction to the London Borough of Bromley instructing the Local Authority to take steps following the failure of its children's social care services. The direction required the Council to co-operate with the Commissioner for Children's Services in Bromley appointed by the Secretary of State, Ms Frankie Sulke CBE, for a period of six months.

5.5.3 The Council acted swiftly to put in place a Member-led Improvement Board and an officer Service Improvement Team, both with independent external support, to address the shortcomings identified by Ofsted.

5.5.4 The Children's Service Improvement Plan, developed in conjunction with partner agencies was submitted to Ofsted in September 2016. The Plan was broken down into 10 priorities with 306 actions covering the 18 Ofsted recommendations.

5.5.5 On 10<sup>th</sup> October 2016, the report of the Commissioner for Children's Services in Bromley was published by the DfE along with a further direction. The direction indicated that the Secretary of State wished to appoint a Commissioner for Children's Services in Bromley for a further six month period. It was later confirmed that Ms Sulke would continue in the role.

5.5.6 In November 2016, Mrs Isobel Cattermole was appointed as Independent Chairman of the Bromley Children's Service Improvement Governance Board. The purpose of the Board is to ensure that vulnerable children and young people in Bromley are safe, protected, and supported so that they can achieve the best possible outcomes. Board Members advise on, drive and challenge the delivery, progress, and outcomes of the Improvement Plan and monitor work being completed to secure sustainable improvements in Bromley's Children's Services.

5.5.7 In December 2016, the Council appointed Mr Ade Adetosoye as Deputy Chief Executive and Executive Director of Education Care and Health Services to lead on the improvement agenda.

## **5.6 Towards Excellence for Children in Bromley**

5.6.1 Once in post, the Deputy Chief Executive and Executive Director of Education Care and Health Services launched and communicated the *Roadmap to Excellence* to all staff and partners. This document clearly sets out the Department's direction of travel and the details of how this will be achieved.

5.6.2 The *Roadmap to Excellence* builds on the Children's Service Improvement Plan identifying eight areas where the Department can focus on improving front line practice and support good social work in order to reshape the service. The themes are:

- *Theme 1 - Improving safeguarding practice to ensure we provide better help and protection.*
- *Theme 2 - Improving practice to children looked after*
- *Theme 3 - Improving practice to care leavers*
- *Theme 4 - Improving practice through better leadership and management*
- *Theme 5 - Improving practice in adoption*
- *Theme 6 - Improving practice – tackling child sexual exploitation, children missing and gangs*



- *Theme 7 - Improving practice – commissioning and procurement to support social work practice*
- *Theme 8 - Leadership team - enablers*

5.6.3 To compliment and embed the *Roadmap to Excellence* the Deputy Chief Executive and Executive Director of Education Care and Health Services and senior managers within Children’s Social Care have introduced a number of measures to demonstrate that the Department is committed to recruiting, developing, and retaining a skilled and experienced workforce that is able to deliver excellent practice by:

- introducing a caseload promise to social workers in order to reduce caseloads and promote a culture of delivering ‘quality practice’;
- introducing and circulating the Department’s Social Work Practice Standards clearly setting out what is expected of social workers and managers employed by Bromley;
- holding regular staff consultation and engagement sessions to create a culture of transparency and trust between Senior Managers and staff;
- listening to what is being said and acting on this by
  - i) providing technology to enable more flexible working conditions,
  - ii) reviewing and introducing pay equalisation across the department,
  - iii) encouraging agency workers to become permanent and
  - iv) introducing a new and updated practice development programme from January 2017, to provide staff with training and development opportunities.
- issuing regular email communication and information updates;
- launching the ‘Line of Sight’ document detailing the mechanisms that are used by senior managers to ensure that they have comprehensive knowledge about what is happening in the front line in order to meet their responsibilities effectively;
- setting up the Social Work Practice Advisory Group, a forum for front-line social workers to be included in a range of national and local social work issues.

5.6.4 In his evidence to the Select Committee, the Deputy Chief Executive and Executive Director of Education Care and Health Services explained that the *Roadmap to Excellence* and the model of simple transformation both centre around improved practice. This provides the structure needed to ensure that the right families benefit from the support of the Council at the right time. Improvement currently focuses around three key issues:

- Strong leadership – at both political and officer level;
- Permanent staff – with a focus on creating stability through recruiting the right staff to Bromley.
- Addressing the culture of the organisation.

# First Report of the Education Children and Families Select Committee 2017/18

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- 5.6.5 In a letter sent to the Council following their recent Monitoring Visit on 9 and 10 May 2017, Ofsted recognised that Bromley was now moving in the right direction and that “the local authority is making good progress in implementing actions in the improvement plan for children looked after and care leavers”.<sup>1</sup>
- 5.6.6 The Director of Children’s Social Care reported to the Committee that since December 2016, there had been a considerable shift in culture. This was delivering a marked improvement in staff morale and a tangible difference in working practices. Social Workers now feel respected and supported in their roles. Some improvements have been made to the office environment. Offices where social workers were located have been thoroughly cleaned. There are also plans for break out rooms to enable social workers to have space away from their desks. The roll out of new IT equipment and mobile phones has ensured that Social Workers are able to spend more time with their clients and less time completing paperwork and writing reports. In addition to this there are attractive opportunities for career development. Feedback that the Council has received suggests that in terms of social worker recruitment Bromley is now an attractive place to work.
- 5.6.7 In June 2016, in the immediate aftermath of the outcome of the Ofsted Inspection, the Council’s leadership recognised that additional financial resources were required and a level of additional resource was provided to support the required improvements. Capacity was being built in to the workforce and this would enable the Caseload Promise of between eleven and fifteen cases per social worker to be maintained. In addition a Court team was established, front-line and manager capacity was increased, key capability issues were addressed, and work began to try to find a suitable new Director of Children’s Services for immediate appointment. Recruitment processes were expedited and this enabled the newly appointed Deputy Chief Executive and Executive Director for Education, Care and Health Services to work with the Council on a part-time basis prior to his agreed start date.
- 5.6.8 In September 2016, the Leader committed to reviewing the governance and scrutiny structures of the Local Authority in order to ensure that children were prioritised appropriately and that they are effective in holding children’s services to account and minimising the impact of decision making process on children’s services. In April 2017, the Portfolio structure was reviewed and realigned to enable the provision of a single Portfolio Holder for children and young people, not least to streamline Member-level support for the Deputy Chief Executive and Executive Director of Education, Care and Health Services. The structure of PDS Committees was also revised to provide a single PDS Committee (the Education, Children & Families Select Committee) for children and young people and improve the scrutiny function related to children and young people.

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<sup>1</sup> Letter from Ofsted setting out the Outcome of the Third Monitoring Visit to Bromley’s Children’s Services (13 June 2017)

5.6.9 In his evidence to the Select Committee, the Deputy Chief Executive and Executive Director of Education, Care and Health Services emphasised the importance of continued Member engagement with young people in the care of the Local Authority in line with the Council's Corporate Parenting responsibilities. Members were asked to consider attending the Corporate Parenting Fun Day on 30<sup>th</sup> July 2017, and engage with future audits of cases and Practice Weeks that were held throughout the year. Member training in relation to Children's Services was being reviewed in line with the recommendation made by the Children's Commissioner for Bromley in her first report, published in October 2016.

## **5.7 The Role of the Children's Service Improvement Governance Board**

5.7.1 After the Ofsted inspection, the Leader established a Children's Services Improvement Governance Board which he initially chaired. The Board comprised senior officers of the Council, the Chairman of the Bromley Safeguarding Children Board, Portfolio Holders and PDS Chairmen of the Education and Care Services Portfolios in addition to senior colleagues from partner organisations, including the Police, the Clinical Commissioning Group, and schools.

5.7.2 The Board was deeply involved in developing the post-inspection Service Improvement Plan, a challenging and ambitious plan which extended beyond the eighteen recommendations from Ofsted.

5.7.3 At the first meeting of the Board, recognising the central role the Board would have in driving improvement the Leader of the Council reserved the right to secure the support of an independent chairman for the Governance Board. Consequently, the Board is now independently chaired by Mrs Isobel Cattermole. Its remit is to oversee rapid improvement across children's services, including forensically examining actions being taken to implement the Service Improvement Plan submitted to Ofsted following the Inspection. Board Members challenge the delivery, progress, and outcomes of the Improvement Plan and monitor work being completed to secure sustainable improvements in Bromley's Children's Services.

5.7.4 The Board works alongside existing strategic governance and accountability frameworks including the Bromley Safeguarding Children's Board, the Health and Wellbeing Board, the Corporate Parenting Board and other relevant scrutiny functions. The Board is accountable to the LBB Executive whilst non LBB members of the Board are responsible for reporting progress and key issues through their own organisations' governance structures.

5.7.5 At the meeting, the Independent Chairman of the Governance Board suggested that the inspection outcome was undoubtedly damaging for the Local Authority. It is important for any Local Authority to recognise that such a systematic failure of one of its key services is a corporate failure. It is therefore pleasing that in Bromley there has been a corporate response and since December 2016, progress was being made at a good pace. The only

way for the Council to be able to maintain the current momentum going forward was to realise that the damaging effect of the inspection outcome on the community, the Council and its partners would “come back to haunt” the Local Authority if it failed to embed the improvement that had already been made. The level of resource already put into the Service had to be sustained, and robust, challenging scrutiny processes needed to be in place to hold leaders and practitioners to account.

- 5.7.6 It was clear that there was good buy-in to the improvement process from partner organisations and it was also important to recognise that the positive relationship that had developed between the Council, its partners, and the Commissioner for Children’s Services in Bromley had been pivotal to the pace of improvement.

**Recommendation 1: That the provision of communications support within the Council be reviewed to ensure sufficient capacity to disseminate key messages and information within the Bromley partnership.**

- 5.7.7 Mrs Cattermole emphasised to the Committee that Children’s Social Care is very much a demand-led service; social workers do not go into the community and actively seek their client base but deal with situations as they arise. For children in need and children who are on the periphery of children’s social care, early intervention strategies are central to delivering tangible improvements in outcomes. A number of the issues that are being identified by social workers start with neglect and parents not knowing or understanding how to safeguard their children.
- 5.7.8 Funding is also central to ensuring that services are targeted at the right families. Mrs Cattermole has suggested that there is a clear and important role for Members in lobbying the Government to secure the provision of sustained funding for early intervention.
- 5.7.9 The Select Committee also recognises that it is important that the Local Authority’s relationship with schools is further enhanced and developed. There is a need to support schools to advance their understanding of safeguarding children and the central role they have to play in safeguarding children.
- 5.7.10 The Children’s Joint Strategic Needs Assessment (JSNA) conducted in September 2016, clearly sets out the challenges facing the Local Authority over the next 5 to 10 years. Mrs Cattermole emphasised that Members need to be aware of these challenges and have a clear understanding of their implications in order to provide support and challenge to Officers within the Service. In addition to this, the Council’s Corporate Leadership Team has to be conscious of future pressures to be able to shape the delivery of service provision and challenge its Officers to manage and address these changing demands.

5.7.11 Mrs Cattermole suggested that a good starting point would be to review the allocation of resources on a ward by ward basis. A holistic approach to service delivery across the Borough could then be adopted. This would recognise that in a diverse Borough such as Bromley there were some less affluent wards that would benefit more from a larger proportion of the resource that was available. Targeting funding in these areas could reduce cost pressures in the future.

5.7.12 The challenges faced by Bromley as a Local Authority are undoubtedly changing, as is the case for many other local authorities. Mrs Cattermole explained that there are more vulnerable families settling in the Borough with associated social issues that must be managed. These families tended to be larger in size, often with multiple children requiring the support of Children's Social Care in one form or another. As a result of this, Bromley is becoming increasingly like an inner London Borough, although the Local Authority does not receive any increases in its funding to reflect these additional challenges. In order to address this, a detailed analysis of the data that was gathered as part of the Children's Joint Strategic Needs Analysis should be undertaken. This would provide the Local Authority with powerful information with which to advance its case for additional funding to support vulnerable children and families in Bromley. This would provide the Council with solid information with which to lobby the Government and make its case for increases in funding.

**Recommendation 2: That an in-depth analysis of the Children's Joint Strategic Needs Assessment and a comprehensive review of the changing demography of the Borough be undertaken to inform the provision of services over the next 5 to 10 years.**

**Recommendation 3: That the Leader and Portfolio Holder for Education, Children and Families make further representations, once the review of the changing demographics of the Borough is completed, to the Government to ensure that adequate funding for the Local Authority and its partners to enable them to meet their increasing obligations to vulnerable children and families in the Borough.**

5.7.12 Members were advised by Mrs Cattermole that they need to foster a culture within the organisation that facilitates open and honest dialogue between Members and Officers. This enables Members to provide respectful challenge to Officers when required. This would also ensure that Officers have the confidence to provide Members with accurate information in relation to the performance of services across the Council. It is clearly evident that the culture within Bromley has begun to evolve since the visit from Ofsted in May and June 2016. There is still more work to do and there is a clear role for Members in providing respectful, critical challenge in addition to support to Officers working in an ever evolving Borough.

**Recommendation 4: That work to foster a transparent, honest corporate culture to ensure that Members are provided with accurate information to**

**enable them to provide the necessary support to Officers through respectful challenge.**

5.7.13 Mrs Cattermole concluded by saying that she was encouraged by the progress in delivering improvements within Children's Services that had already been made. The determination of the Local Authority and its partners to deliver the necessary improvement was clearly evident and the Service was certainly now heading in the right direction.

## **5.8 The Role of the Bromley Safeguarding Children Board**

5.8.1 Bromley Safeguarding Children Board (BSCB) exists to support, scrutinise and challenge all the agencies in Bromley in relation to what they are doing to safeguard and promote the welfare of children and young people. BSCB is chaired by an Independent Chairman, Mr Jim Gamble QPM, to bring an objective and authoritative rigour to the work of the Board. The Board's membership is specified in legislation.

5.8.2 Local Safeguarding Children Boards were established under the Children Act 2004 and exist to:

- a) co-ordinate what is done by each person or body represented on the Board for the purposes of safeguarding and promoting the welfare of children in an area; and
- b) ensure the effectiveness of what is done by each person or body for these purposes.

5.8.3 In addition, there are a number of specific functions for Local Safeguarding Children Boards cited in the Statutory Regulation (2006) and Working Together (2015). These will be amended following the Children and Social Work Act 2017 with new statutory regulations for safeguarding partners expected in 2018. The current functions include responsibility for:

- developing specified safeguarding policies and procedures (for example, guidance on thresholds for interventions and investigation of allegations concerning persons who work with children);
- undertaking reviews of serious cases and advising the Local Authority and their board partners on lessons to be learned;
- raising awareness about safeguarding children
- monitoring and evaluating effectiveness to safeguard (through auditing, self-assessment and analysis of performance data and intelligence).

5.8.4 The BSCB is committed to:

- ensuring children in the Borough are seen, heard and helped – testing action through evidencing impact rather than activity
- contextual Safeguarding – focusing on the context of a child's life – at home, at school, with friends, on the street, online and offline.
- early help – a relentless commitment to early intervention.



# First Report of the Education Children and Families Select Committee

## 2017/18

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- strong and transparent leadership – encouraging constructive challenge, actively seeking out the issues and developing a total commitment to continuous learning and improvement.
- 5.8.5 Mr Gamble described his role and the role of BSCB as one of collective challenge and strategic support. The Board was focused on supporting partners and in particular the Local Authority to positively respond to the most recent Ofsted inspection. BSCB now had responsibility for overseeing Improvement Plan Priority 8 – Child Sexual Exploitation.
- 5.8.6 BSCB has moved away from reviewing a list of harms to a model which has a focus on four key issues:
- i) the context of a child's life in Bromley, including pathways to harm
  - ii) early help and insuring that early intervention had a positive impact
  - iii) leadership – delivering respectful challenge when it was needed.
  - iv) health and wellbeing of the workforce, including oversight and challenge to the support provided by the Council's leadership, oversight of caseloads and supervision, and progressing improvements to the working environment.
- 5.8.7 Mr Gamble highlighted his concern to the Committee that office accommodation for Social Workers did not reflect the standards that he would expect for staff doing such difficult and stressful work. The Council had to ensure that that the working environment was conducive to a happy, healthy and productive workforce. Mr Gamble had not found this to be the case when he accepted the role of Independent Chairman of BSCB in January 2017. Some limited improvement has been made but many more improvements in this area could be made.

**Recommendation 5: That maintenance of the office environment be kept under review to ensure that the recent improvements that have been made are sustained and that the working environment is conducive to a happy, healthy and productive workforce.**

- 5.8.8 The Committee notes that BSCB had developed a challenging and full work plan for 2017/18. This has a focus on:
- vulnerable adolescents, with a particular focus on those vulnerable to child sexual exploitation (CSE), going missing, and/or from gangs.
  - enhanced working with schools
  - children with special educational needs and/or disability
  - reflecting the authentic voice of the child.
- 5.8.9 Mr Gamble explained to the Committee that a key priority for 2017/18 was to establish and inform a risk register. When Mr Gamble arrived in January 2017, BSCB did not have a risk register and this was a significant oversight requiring rectification.

- 5.8.10 In relation to seeking to develop the authentic voice of young people in the Borough, BSCB is working in collaboration with Bromley Youth Council. A Memorandum of Understanding between BSCB and Bromley Youth Council is being developed and the two groups are working together to develop a digital footprint survey to provide a better understanding of how young people in Bromley access technology and use social media.
- 5.8.11 The investment committed by the Council's leadership is being used to build a better approach to supporting vulnerable groups in the Borough. It is now important that the impact of the improvements being made is directly felt by vulnerable children and families through improved outcomes.
- 5.8.12 BSCB are seeking to increase levels of engagement with schools in the Borough. Schools are one of the key agencies involved in identifying vulnerable children and have a central role to play in managing referrals to Children's Social Care. Significant progress is being made with engagement with school although there is still more to be done.
- 5.8.13 The information being provided to all partners is being reviewed. The Committee heard that there is an improving cycle of attendance at multi-agency training events. As well as reviewing partners who make the highest number of referrals BSCB was also looking at those partners who make very few or no referrals.

**Recommendation 6: That the Local Authority and Bromley Safeguarding Children Board work with partner organisations to actively encourage attendance at and engagement with multi-agency training events.**

- 5.8.14 In terms of support and the contribution of resource from other partners, Mr Gamble confirmed that good financial support had been received from colleagues within education whilst the same could not be said for some other partners. The Police had proven to be active and engaged partners who were willing to commit resource. However, Mr Gamble advised Members that the geographic realignment of the Metropolitan Police could have implications for Bromley and the impact of any changes need to be closely monitored to ensure that improvements in Children's Services in Bromley are not destabilised.
- 5.8.15 Mr Gamble recognised that all organisations within the Partnership have had to make savings. Ultimately the allocation of resources came down to priorities. There is clear evidence that early intervention delivered savings down the line. This indicates that early intervention strategies have to be a priority in terms of the allocation of resource.

**Recommendation 7: The Committee supports the need to analyse the impact of early intervention and to develop policies which prevent children from being taken into care or requiring considerable support.**



## **5.8 Conclusions of the Education Children and Families Select Committee**

5.8.1 Following detailed consideration of the written evidence provided in the Committee's agenda pack and at the meeting on 28<sup>th</sup> June 2017, and the verbal evidence provided by the witnesses at the meeting, the Committee recognises that significant improvements to Children's Services in Bromley have been made since the Ofsted Inspection in April and May 2016.

5.8.2 There is still however more that can be done including...

5.8.3 The Committee recognises the role that elected Members have to play in continuing to drive improvement across the service including...

**Recommendation 8: That in the 2018/19 Municipal Year, the Education, Children and Families Select Committee monitor progress made against the issues and recommendations within the reports submitted by the Commissioner for Children's Services in Bromley (in October 2016 and April 2017).**

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from Councillor Nicholas Bennett JP

Robert Goodwill MP  
Department for Education  
Piccadilly Gate  
Store Street  
MANCHESTER M1 2WD

West Wickham Ward  
LONDON BOROUGH OF BROMLEY

July 26<sup>th</sup> 2017

*Dear Mr Goodwill,*

**LA Protocol for notifying receiving authorities of families with care concerns**

May I congratulate you on your recent appointment? I had the same responsibilities at the Welsh Office between 1990-92 and appreciate the challenges which come with your brief.

Bromley Council's Select Committee for Education, Children and Families recently held an inquiry into Children Missing Education and those who were NEET. One of the concerns raised by witnesses was the fact that despite a London Protocol it was often the case that when families with children subject to care plans moved between local authority areas the receiving authority was not notified,

The Committee recommended that I write to the Department to raise this matter and seek the Department's support in reiterating to all LAs the need to ensure timely information in this regard to the authority in whose area the family has moved.

Best wishes

*Yours ever  
Nicholas Bennett*

**Chairman**

**Education Children and Families Select Committee**

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2017-0039357RGPO

**Robert Goodwill MP**

Minister of State for Children and Families

Sanctuary Buildings Great Smith Street Westminster London SW1P 3BT  
tel: 0370 000 2288 [www.education.gov.uk/help/contactus](http://www.education.gov.uk/help/contactus)

Cllr Nicholas Bennett JP  
18 Upper Park Road  
Bromley  
BR1 3HT

21 August 2017

Dear Cllr Nicholas Bennett,

Thank you for your letter of 26 July about the local authority protocol for notifying receiving authorities of families with care concerns. Thank you also for congratulating me on my appointment.

I am grateful to you for raising these important issues and appreciate the experience you bring to these matters. As you are well aware, when a family with children subject to a child protection plan moves from one local authority area (the originating authority) to another local authority area (the receiving authority), then the responsibility for the monitoring, supervision and updating of that plan must transfer from the originating authority to the receiving authority. In order that the vulnerability of such children is not compromised, such case transfers should take place in a timely manner. During the period prior to the formal transfer of case responsibility, the originating authority should continue to monitor the protection plan.

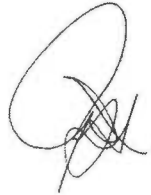
These procedures relate to duties arising from the Children Act 1989 and related legislation, regulation and guidance to provide services for children at risk of significant harm and subject to a child protection plan. We know, however, that there have been challenges in many local areas to consistently comply with these statutory obligations. The failure to do so is unacceptable, which is why we are continuing the urgent work of overhauling how the police, social services, health services, and other agencies work together to protect all vulnerable children. The department is committed to doing all that we can to protect children from abuse and neglect; this includes examining all options for how we can further improve our child protection system.

The Children and Social Work Act 2017 includes provisions to strengthen and simplify the existing statutory framework around multi-agency working. The requirement for local areas to have Local Safeguarding Children Boards will be removed, and replaced with a requirement for three key partners – the police, local government and health services – to work together to agree the necessary strategic decisions to underpin effective practice. The Act received Royal Assent in April 2017, but has not yet been commenced.

We will be introducing a stronger but more flexible statutory framework that will support local partners to work together more effectively to protect and safeguard children and young people, embedding improved multi-agency behaviours and practices.

Nothing is more important than keeping children safe. We want a robust local accountability system, one that adds real value, is better at identifying delivery problems early and putting them right, and which is more effective in safeguarding children.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'R. Goodwill', written in a cursive style.

**Robert Goodwill MP**  
**Minister of State for Children and Families**

Report No.  
CSD17124

London Borough of Bromley

PART ONE - PUBLIC

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**Decision Maker:** COUNCIL

**Date:** Monday 25 September 2017

**Decision Type:** Non-Urgent Non-Executive Non-Key

**Title:** CAPITAL PROGRAMME: RENOVATION GRANTS - DISABLED FACILITIES PROGRAMME

**Contact Officer:** Graham Walton, Democratic Services Manager  
Tel: 0208 461 7743 E-mail: graham.walton@bromley.gov.uk

**Chief Officer:** Mark Bowen, Director of Corporate Services

**Ward:** N/A

---

1. Reason for report

- 1.1 At its meeting on 19<sup>th</sup> July 2017 the Executive considered the attached report and approved the proposed changes to the Capital Programme that it recommended. The report had previously been scrutinised by Executive and Resources PDS Committee on 13<sup>th</sup> July 2017. Full Council approval is required to increase the Capital Programme by £1,838k to reflect the Disabled Facilities Grant allocated to the Council for 2017/18 by the Department for Communities and Local Government. The funding will enable additional schemes to provide physical improvements to clients' homes, assisting to create safer, healthier homes and reduce hospital admissions. Further information is set out in paragraph 3.3.1 of the attached report.
- 

2. **RECOMMENDATION**

**That Council agrees an increase of £1,838k in the Capital Programme for Renovation Grants – Disabled Facilities Programme.**

## Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
- 

## Corporate Policy

1. Policy Status: Existing Policy:
  2. BBB Priority: Supporting Independence:
- 

## Financial

1. Cost of proposal: £1838k
  2. Ongoing costs: Not Applicable
  3. Budget head/performance centre: Capital Programme
  4. Total current budget for this head: £133.6m over 4 years 2017/18 to 2020/21
  5. Source of funding: Capital Grant
- 

## Personnel

1. Number of staff (current and additional): 1fte
  2. If from existing staff resources, number of staff hours: 36 hours per week
- 

## Legal

1. Legal Requirement: Non-Statutory - Government Guidance:
  2. Call-in: Not Applicable: Full Council decisions are not subject to call-in.
- 

## Procurement

1. Summary of Procurement Implications: Not Applicable
- 

## Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Not applicable
- 

## Ward Councillor Views

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

|   |                     |
|---|---------------------|
| <b>Non-Applicable Sections:</b>                       | See attached report |
| Background Documents:<br>(Access via Contact Officer) | See attached Report |



**Decision Maker:** Executive  
Council

**Date:** Executive 19<sup>th</sup> July 2017  
Council 25<sup>th</sup> September 2017

**Decision Type:** Non-Urgent Executive Non-Key

**Title:** CAPITAL PROGRAMME MONITORING – 1<sup>ST</sup> QUARTER 2017/18

**Contact Officer:** James Mullender, Principal Accountant  
Tel: 020 8313 4292 E-mail: James.mullender@bromley.gov.uk

**Chief Officer:** Director of Finance

**Ward:** All

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1. Reason for report

This report summarises the current position on capital expenditure and receipts following the 1<sup>st</sup> quarter of 2017/18 and seeks the Executive's approval to a revised Capital Programme.

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2. RECOMMENDATION(S)

2.1 The Executive is requested to:

- (a) Note the report, including a total rephasing of £12,504k from 2017/18 into future years, and agree a revised Capital Programme;
- (b) Approve the following amendments to the Capital Programme:
  - (i) Addition of £1,838k on Disabled Facilities Grant funded scheme to reflect the latest grant funding available (see para 3.3.1);
  - (ii) Deletion of the £1k residual balance on Crystal Palace Park Subway scheme which has reached completion (see para 3.3.2);
  - (iii) Reduction of £107k on Transport for London (TfL) funded Traffic and Highways schemes (see para 3.3.3);
  - (iv) Addition of £31k for a 30 Hours Funded Childcare IT Solution scheme (see para 3.3.4);
  - (v) Section 106 receipts from developers - increase of £779k in 2017/18 to reflect the funding received (see para 3.3.5);

- (vi) **A change in scope to the replacement of MD110 telephone switch scheme as detailed in para 3.3.6.**
- (c) Note that reports elsewhere on the agenda request the following amendments to the capital programme:**
  - (i) Net increase of £232k to the Crystal Palace Park Improvement scheme (see para 3.3.7);**
  - (ii) Addition of £625k to the Crystal Palace Park – Alternative Management Options scheme (see para 3.3.8);**
  - (iii) Addition of £2,597k to the Basic Need scheme and transfer of £2,890k from Education Section 106 unallocated scheme to Basic Need scheme (see para 3.3.9); and**
  - (iv) Addition of £2,666k to the Biggin Hill Memorial Museum scheme (see para 3.3.10).**
- (d) Recommend to Council:**
  - (i) An increase of £1,838k in Renovation Grants – Disabled Facilities Programme (see para 3.3.1).**

**2.2 Council is requested to:**

- (a) Agree an increase of £1,838k in Renovation Grants – Disabled Facilities Programme (see para 3.3.1).**

## Corporate Policy

1. Policy Status: Existing Policy: Capital Programme monitoring and review is part of the planning and review process for all services. Capital schemes help to maintain and improve the quality of life in the borough. Effective asset management planning (AMP) is a crucial corporate activity if a local authority is to achieve its corporate and service aims and objectives and deliver its services. For each of our portfolios and service priorities, the Council reviews its main aims and outcomes through the AMP process and identify those that require the use of capital assets. The primary concern is to ensure that capital investment provides value for money and matches the Council's overall priorities as set out in the Community Plan and in "Building a Better Bromley".
  2. BBB Priority: Excellent Council
- 

## Financial

1. Cost of proposal: Estimated Cost: Total increase of 8.7m over the 4 years 2017/18 to 2020/21, mainly due to £2,666k additional funding in Biggin Hill Memorial Museum scheme, £2,597k increase in Basic Need, £1,838k additional Disabled Facilities grant, £779k increase in Section 106 receipt from developers (uncommitted balance), and £625k increase to Crystal Palace Park – Alternative Management Options.
  2. Ongoing costs: Not Applicable
  3. Budget head/performance centre: Capital Programme
  4. Total current budget for this head: Total £133.6m over 4 years 2017/18 to 2020/21
  5. Source of funding: Capital grants, capital receipts and earmarked revenue contributions
- 

## Staff

1. Number of staff (current and additional): 1fte
  2. If from existing staff resources, number of staff hours: 36 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? Not Applicable
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 1<sup>st</sup> quarter of 2017/18. The base position is the programme approved by the Executive on 8<sup>th</sup> February 2017, as amended by variations approved at subsequent Executive meetings. If the changes proposed in this report are approved, the total Capital Programme 2017/18 to 2020/21 would increase by £8,660k, mainly due to £2,666k additional funding for the Biggin Hill Memorial Museum scheme, £2,597k additional funding in Basic Need, £1,838k additional Disabled Facilities grant, £779k increase in Section 106 receipts from developers (uncommitted balance), and £625k increase for the Crystal Palace Park – Alternative Management Options scheme.

The variations are summarised in the table below with further detail set out in Appendix A.

|  | 2017/18       | 2018/19       | 2019/20       | 2020/21      | TOTAL<br>2017/18 to<br>2020/21 |
|--|---------------|---------------|---------------|--------------|--------------------------------|
|  | £000          | £000          | £000          | £000         | £000                           |
| Programme approved by Executive 08/02/17                               | 86,962        | 25,698        | 5,162         | 4,040        | 121,862                        |
| Variations approved at subsequent Executive meetings                   | 8,741         | 1,000         | 1,000         | 1,000        | 11,741                         |
| Approved Programme prior to 1st Quarter's Monitoring                   | 95,703        | 26,698        | 6,162         | 5,040        | 133,603                        |
| Variations requiring the approval of the Executive                     | 1,012         | 5,679         | 985           | 984          | 8,660                          |
| Variations not requiring approval:                                     |               |               |               |              |                                |
| Net rephasing from 2017/18 into future years                           | Cr 12,504     | 3,354         | 8,190         | 960          | 0                              |
| Total Amendment to the Capital Programme                               | Cr 11,492     | 9,033         | 9,175         | 1,944        | 8,660                          |
| <b>Total Revised Capital Programme</b>                                 | <b>84,211</b> | <b>35,731</b> | <b>15,337</b> | <b>6,984</b> | <b>142,263</b>                 |
| Assumed Further Slippage (for financing purposes)                      | Cr 10,000     | 5,000         | 2,500         | 2,500        | 0                              |
| Assumed New Schemes (to be agreed)                                     | 0             | 0             | 2,500         | 2,500        | 5,000                          |
|  | Cr 10,000     | 5,000         | 5,000         | 5,000        | 5,000                          |
| Projected Programme for Capital Financing Forecast<br>(see appendix C) | 74,211        | 40,731        | 20,337        | 11,984       | 147,263                        |

#### 3.2 Variations approved at subsequent Executive meetings

As detailed in Appendix A, variations of £4.6m have been approved since the February Executive meeting. This mainly comprises £3.6m for Proposed Public Realm Project and Market Reorganisation for Bromley High Street scheme funded by the Growth Fund, £0.4m for Replacement of Housing Information Systems, and £0.6m for Section 106 uncommitted balance in respect of additional Section 106 receipts to match the total funding available.

#### 3.3 Variations requiring the approval of the Executive (£8,660k net increase)

##### 3.3.1 Renovation Grants – Disabled Facilities (£1,838k increase)

The Disabled Facilities Grant (DFG) is for the provision of adaptations to disabled people's homes to help them to live as independently and safely as possible. The capital allocation received for 2017/18 from the Department for Communities and Local Government totals £1,838k. The funding will enable additional schemes to provide physical improvements to clients' home environments and to assist with creating safer and healthier homes, and reduce admissions to hospital. Members are asked to agree the addition of £1,838k to the DFG scheme to reflect the total funding available.

### 3.3.2 Crystal Palace Park Subway (£1k reduction in 2017/18)

On 3<sup>rd</sup> April 2013 Executive agreed to add 'The Parks for People' scheme for special work required to develop projects to support the preparation of a first round application to the Heritage Lottery Fund for Crystal Palace Park. In December 2015, Members agreed to the revised funding for project towards the feasibility works specifically for the Crystal Palace Park subway project. The feasibility work for this project has been completed, and it is recommended that the residual balance of £1k be deleted.

### 3.3.3 Transport for London (TfL) – Revised support for Highways and Traffic Schemes (£107k reduction in 2017/18)

Provision for transport schemes to be 100% funded by TfL was originally included in the Capital Programme 2017/18 to 2020/21 on the basis of the bid in the Borough Spending Plan (BSP). Notification of an overall reduction of £107k in the 2017/18 grant has been received from TfL. Grant allocations from TfL change frequently and any further variations will be reported in subsequent capital monitoring reports.

### 3.3.4 30 Hours Funded Childcare IT Solution scheme (£31k increase)

The new national 30 hours funded childcare entitlement comes into force on 1<sup>st</sup> September 2017, and all Local Authorities are required to secure sufficient early years places to meet local demand through the funding of places within early years settings. Staff will be required to check eligibility and process claims for the new entitlement alongside existing funded provision for 2, 3 & 4 year olds. In support of the scheme, the Department for Education (DfE) has announced technology funding available to Local Authorities to implement digital systems that will administer and manage the scheme. Members are asked to approve the addition of £31k for 30 Hours Funded Childcare IT Solutions scheme to the capital programme.

### 3.3.5 Section 106 receipts – (£779k increase)

In July 2015, the Executive agreed that the Capital Programme budget should reflect the total of Section 106 receipts available to fund expenditure. Members are asked to agree an increase of £779k in the Capital Programme budget for Section 106 in respect of additional receipts since the last report to match the total funding available. This includes an additional £773k to the Education Section 106 receipts and £6k interest.

### 3.3.6 Replacement of MD110 telephone switch (net nil variation)

In February 2012, Members approved a £760k scheme to replace the MD110 telephone switch for old telephony system which was installed in November 1999 and would not be maintained after March 2015 with a modern VOIP solution. At the time of the bid, there was little to no interest to Video Conferencing. With the introduction of Windows 7, Laptops, and Lync, users are now becoming much more interested in Video Conferencing as a way to keep in touch with staff and to communicate to one another. Large room systems offers greater possibility and flexibility, such as the ability to record and web stream public meetings, or virtual meetings such as the managers briefing. Officers have looked at a couple of solutions, however these were not suitable for large meeting rooms and the council chamber environments, and officers are struggling to find an off the shelf solution that may be able to accommodate this scale. Members are asked to agree the change in project scope to include an initial feasibility work of up to £15k to assess the options and designs of Video Conferencing to accommodate larger rooms. Should the project proceed then the feasibility work cost will be met from within the remaining budget in the replacement of MD110 telephone switch scheme; if not, then the feasibility costs will be charged to revenue.

### 3.3.7 Crystal Palace Park Improvements (£232k net increase)

In July 2016, Executive agreed for a £116k grant from Historic England to be added to the Crystal Palace Park Improvements scheme for conservation works at Crystal Palace Park, including conservation of the South Terrace Steps, and the Sphinxes conservation. The work has now been completed and the final Historic England grant claim total is £106k, a £10k reduction compared to the original Historic England Grant budget.

As set out in the Crystal Palace Park: Regeneration Plan report (DRR17/029) elsewhere on the agenda, Members are asked to approve an increase of £242k funded from capital receipts to the Crystal Palace Park Improvement scheme to deliver the Crystal Palace Park Café project.

### 3.3.8 Crystal Palace Park – Alternative Management Options (£625k increase in 2017/18)

As set out in Crystal Palace Park: Regeneration Plan report (DRR17/029) elsewhere on the agenda, Members are asked to approve the net increase of £625k to the Crystal Palace Park – Alternative Management Options scheme in order to proceed to Phase 2 of the regeneration plan.

### 3.3.9 Basic Need (£2,597k increase) and transfers of £2,890k from Education Section 106 unallocated balance into Basic Need scheme

As detailed in the Basic Need Programme Update report elsewhere on the agenda, the Council has received an allocation of £2,597k for SEND provision capital funding. The report requests an increase to the Basic Need scheme to reflect this additional funding, and also requests the allocation of £2,890k of Section 106 receipts from the unallocated Education balance.

### 3.3.10 Biggin Hill Memorial Museum (£2,666k increase)

As set out in Biggin Hill Memorial Museum report (DRR17/032) elsewhere on the agenda, the Heritage Lottery Fund grant application has been successful and the Council has been awarded £1,998k. In addition, the project was also previously successful in the grant application to the Treasury's LIBOR fund (DRR17/001). The report requests that Members approve the addition of £2,666k to the Biggin Hill Memorial Museum capital scheme to reflect this additional funding, which will allow the project to commence delivery.

### 3.3.11 Scheme Rephasing

The 2016/17 Capital Outturn was reported to the Executive on 20<sup>th</sup> June 2017. The final capital outturn for the year was £53.0m compared to a revised budget of £59.9m. The majority of the variation related to uncommitted Section 106 balances £5.0m, and a net total of £7.1m has been re-phased from 2016/17 into 2017/18.

In the quarter 1 monitoring exercise, slippage of £12.5m has been identified and this has been re-phased from 2017/18 into future years to reflect the latest estimates of when expenditure is likely to be incurred. This has no overall impact on the total approved estimate for the capital programme. Further details are provided in Appendix B.

### **Capital Receipts**

3.4 Details of the receipts forecast in the years 2017/18 to 2020/21 are included in Appendix E to this report to be considered under part 2 proceedings of the meeting. Actual receipts from asset disposals totalled £0.6m in 2016/17 and were lower than the estimated figure reported to the Executive in February 2017 (£4.7m), mainly due to the sale of the Old Town Hall not

completing. In addition, other capital receipts (mainly loan repayments and Right to Buy (RTB) receipts from Affinity Sutton Housing Association) totalling £3.8m were received during the year.

The latest estimate for 2017/18 has decreased to £8.8m from £11.4m reported in February (again excluding “other” capital receipts). The estimate for 2018/19 is £7.0m, a £6.0m increase compared to that reported in February. Estimates for 2019/20 and 2020/21 remain at £16.0m and £1.0m respectively, as reported in February. A total of £1m per annum is assumed for receipts yet to be identified in later years. These projections, as detailed in Appendix E, reflect prudent assumptions for capital receipts, and don’t include estimated disposal receipts from the review being undertaken by Cushman and Wakefield.

### Financing of the Capital Programme

3.5 A capital financing statement is attached at Appendix C and the following table summarises the estimated impact on balances of the revised programme and revised capital receipt projections which, as noted above, reflect prudent assumptions on the level and timing of disposals. Total balances would reduce from £44.1m (General Fund £20.0m and capital receipts £24.1m) at the end of 2016/17 to £18.3m by the end of 2020/21 and would then reduce further to £12.8m by the end of 2024/25. It is therefore likely that any significant future capital schemes not funded by grants/contributions or revenue, may have to be funded from external borrowing.

|                  | Balance<br>01/04/17 | Estimated<br>Balance<br>31/03/21 | Estimated<br>Balance<br>31/03/25 |
|------------------|---------------------|----------------------------------|----------------------------------|
|                  | £m                  | £m                               | £m                               |
| General Fund     | 20.0                | 18.0                             | 12.8                             |
| Capital Receipts | 24.1                | 0.3                              | 0                                |
|                  | <u>44.1</u>         | <u>18.3</u>                      | <u>12.8</u>                      |

### Investment Fund and Growth Fund

3.6 To help support the achievement of sustainable savings and income, the Council has set aside funding in the Investment Fund earmarked reserve (formerly known as the Economic Development and Investment Fund) to contribute towards the Council’s economic development and investment opportunities. To date, total funding of £131.5m has been placed in the Investment Fund and Growth Fund earmarked reserves to contribute towards the Council’s economic development and investment opportunities. In November 2014, £10m was set aside in the Growth Fund to support growth initiatives in Biggin Hill, the Cray Valley and Bromley Town Centre. Council approved additional allocations of £6.5m in December 2015, £6m in March 2016, £7m in June 2016, £4m in March 2017, and £3.3m in June 2017 to the Growth Fund.

In June 2016 Members agreed funding of £1.8m for three projects with regards to the Glades Shopping Centre funded from the Investment Fund. As one of the projects did not progress, the amount of £1.4m has been released back to increase the uncommitted balance in the Investment Fund.

Appendix D provides a detailed analysis of the Funds dating back to their inception in September 2011. To date schemes totalling £110.4m have been approved (£81.6m on the Investment Fund, and £28.8m on the Growth Fund), and the uncommitted balances as at end of June 2017 stand at £13.0m for the Investment Fund and £8.1m for the Growth Fund.

## Feasibility Works – Property Disposals

- 3.7 At its meeting on 24<sup>th</sup> May 2017, Executive agreed to the creation of a new Earmarked Reserve with an initial allocation of £250k to be funded from the Growth Fund to allow feasibility works to be commissioned against specific sites so as to inform the Executive of sites' viability for disposal or re-development and potential scheme optimisation together with an appraisal as to worth.

Members requested that an update from Strategic Property be included in these quarterly capital monitoring reports, and the first update is provided in Appendix F. Formal instructions are being processed for four locations, and two more are estimated for August/September. To date the commitment value remains at £250k, and no expenditure has been incurred.

## Section 106 Receipts

- 3.8 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 as a receipt in advance on the Council's Balance Sheet, the balance of which stood at £8,421k as at 31<sup>st</sup> May 2017, and will be used to finance capital expenditure from 2017/18 onwards. The current position on capital Section 106 receipts (excluding commitments) is shown below:

|                                | Balance<br>31/03/17 | Receipts<br>2017/18 | Expenditure<br>2017/18 | Balance<br>31/05/17 |
|--------------------------------|---------------------|---------------------|------------------------|---------------------|
|                                | £'000               | £'000               | £'000                  | £'000               |
| <b>Specified capital works</b> |                     |                     |                        |                     |
| Housing                        | 4,911               | -                   | 282                    | 4,629               |
| Education                      | 2,890               | 773                 | -                      | 3,663               |
| Highways                       | 82                  | -                   | -                      | 82                  |
| Local Economy                  | 97                  | -                   | 50                     | 47                  |
| <b>TOTAL</b>                   | <b>7,980</b>        | <b>773</b>          | <b>332</b>             | <b>8,421</b>        |

The Council's budgets are limited and, where a developer contribution can be secured, this will be required as a contribution towards projects, notwithstanding any other allocation of resources contained in the Council's spending plans.

## Post-Completion Reports

- 3.9 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. Post-completion reports on the following schemes are due to be submitted to the relevant PDS Committees:

- Office Accommodation Strategy
- Pavilion Leisure Centre Redevelopment & Refurbishment
- Central Library/Churchill Theatre – replacement of chillers and control
- Digital Print Strategy
- SEELS street lighting project



#### 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. Attached as Appendix C 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 and if all the planned receipts were achieved. The financing projections assume approval of the revised capital programme recommended in this report, together with an estimated £2.5m per annum for new capital schemes and service developments from 2019/20 onwards.

|   |   |
|---|---|
| <b>Non-Applicable Sections:</b>                       | Legal, Personnel & Procurement Implications, Impact on Vulnerable Adults and Children   |
| Background Documents:<br>(Access via Contact Officer) | Capital Programme Monitoring Qtr 3 2016/17& Annual capital Review 2017-2021 (Executive 08/02/17)<br>Capital Programme Outturn 2016/17 report (Executive 20/06/17).<br>List of potential capital receipts from Strategic Property as at 03/07/17.<br>List of feasibility works for property disposal from Strategic Property as at 05/07/17. |

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## CAPITAL PROGRAMME MONITORING - JUL 2017 - SUMMARY OF VARIATIONS FROM APPROVED PROGRAMME

| Variations on individual schemes  | Date of Portfolio meeting | 2016/17<br>£000 | 2017/18<br>£000  | 2018/19<br>£000 | 2019/20<br>£000 | 2020/21<br>£000 | TOTAL<br>2017/18 to<br>2020/21<br>£000 | Comments/reason for variation       |
|---|---------------------------|-----------------|------------------|-----------------|-----------------|-----------------|--|-------------------------------------|
| <b>Current Approved Capital Programme</b>                                       |                           |                 |                  |                 |                 |                 |  |                                     |
| Programme approved by Executive 08/02/17  | Exec 08/02/17             | 53,669          | 86,962           | 25,698          | 5,162           | 4,040           | 121,862                                |                                     |
| Property Acquisitions   | Exec 14/03/17             | 6,236           |                  |                 |                 |                 | 0                                      |                                     |
| Replacement of Housing Information Systems                                      | Exec 22/03/17             |                 | 459              |                 |                 |                 | 459                                    |                                     |
| Proposed Public Realm Project and Market Reorganisation for Bromley High Street | Exec 22/03/17             |                 | 564              | 1,000           | 1,000           | 1,000           | 3,564                                  |                                     |
| Block provision c/fwd into 2017/18 - emergency works to surplus sites           | Exec 20/06/17             | Cr 10           | 10               |                 |                 |                 | 10                                     |                                     |
| Rephasing from 2016/17 into 2017/18   | Exec 20/06/17             | Cr 7,131        | 7,131            |                 |                 |                 | 7,131                                  |                                     |
| Land Acquisition Cornwall Drive   | Exec 20/06/17             | 226             |                  |                 |                 |                 | 0                                      |                                     |
| S106 receipts from developers - unallocated balance                             | Exec 20/06/17             |                 | 577              |                 |                 |                 | 577                                    |                                     |
| <b>Approved Programme prior to 1st Quarter's Monitoring</b>                     |                           | <b>52,990</b>   | <b>95,703</b>    | <b>26,698</b>   | <b>6,162</b>    | <b>5,040</b>    | <b>133,603</b>                         |                                     |
| <b>Variations in the estimated cost of approved schemes</b>                     |                           |                 |                  |                 |                 |                 |  |                                     |
| <b>(i) Variations requiring the approval of the Executive</b>                   |                           |                 |                  |                 |                 |                 |  |                                     |
| Increase grant funding for Renovation Grants - Disabled Facilities              |                           |                 | 438              | 1,400           |                 |                 | 1,838                                  | See paragraph 3.3.1                 |
| Deletion of residual balance  |                           |                 |                  |                 |                 |                 |  |                                     |
| - Crystal Palace Park Subway  |                           | Cr 1            | 1                |                 |                 |                 | Cr 1                                   | See paragraph 3.3.2                 |
| Increase in TFL funding for Highway & Traffic schemes                           |                           | Cr 107          | 107              |                 |                 |                 | Cr 107                                 | See paragraph 3.3.3                 |
| Addition of 30 Hours Funded Childcare IT Solution Scheme                        |                           |                 | 15               | 16              |                 |                 | 31                                     | See paragraph 3.3.4                 |
| Section 106 receipts from developers  |                           |                 |                  |                 |                 |                 |  |                                     |
| - unallocated balance   |                           |                 | 779              |                 |                 |                 | 779                                    | See paragraph 3.3.5                 |
| Increase Crystal Palace Park Improvements                                       |                           | Cr 10           | 10               | 242             |                 |                 | 232                                    | See paragraph 3.3.7                 |
| Increase in Crystal Palace Park - Alternative Management Options                |                           |                 | 625              |                 |                 |                 | 625                                    | See paragraph 3.3.8                 |
| Basic Need:   |                           |                 |                  |                 |                 |                 |  |                                     |
| - Increase grant funding re SEND provision                                      |                           |                 | 0                | 867             | 865             | 865             | 2,597                                  | See paragraph 3.3.9                 |
| - Transfer from Section 106 unallocated balance - Education                     |                           |                 | 1,200            | 1,690           |                 |                 | 2,890                                  | See paragraph 3.3.9                 |
| Section 106 receipts Education unallocated balance - to allocate to Basic Need  |                           | Cr 2,890        | 2,890            |                 |                 |                 | Cr 2,890                               | See paragraph 3.3.9                 |
| Increase in grant funding for Biggin Hill Memorial Musuem                       |                           |                 | 963              | 1,464           | 120             | 119             | 2,666                                  | See paragraph 3.3.10                |
|   |                           | 0               | 1,012            | 5,679           | 985             | 984             | 8,660                                  |                                     |
| <b>(ii) Variations not requiring approval</b>                                   |                           |                 |                  |                 |                 |                 |  |                                     |
| Rephasing of schemes  |                           |                 |                  |                 |                 |                 |  |                                     |
| Rephasing from 2017/18 into future years  |                           | Cr 12,504       | 12,504           | 3,354           | 8,190           | 960             | 0                                      | See paragraph 3.3.11 and Appendix B |
|   |                           | 0               | Cr 12,504        | 3,354           | 8,190           | 960             | 0                                      |                                     |
| <b>TOTAL AMENDMENT TO CAPITAL PROGRAMME</b>                                     |                           | <b>0</b>        | <b>Cr 11,492</b> | <b>9,033</b>    | <b>9,175</b>    | <b>1,944</b>    | <b>8,660</b>                           |                                     |
| <b>TOTAL REVISED CAPITAL PROGRAMME</b>  |                           | <b>52,990</b>   | <b>84,211</b>    | <b>35,731</b>   | <b>15,337</b>   | <b>6,984</b>    | <b>142,263</b>                         |                                     |
| Less: Further slippage projection   |                           |                 | Cr 10,000        | 5,000           | 2,500           | 2,500           | 0                                      |                                     |
| Add: Estimate for further new schemes   |                           |                 |                  |                 | 2,500           | 2,500           | 5,000                                  |                                     |
| <b>TOTAL TO BE FINANCED</b>   |                           | <b>52,990</b>   | <b>74,211</b>    | <b>40,731</b>   | <b>20,337</b>   | <b>11,984</b>   | <b>147,263</b>                         |                                     |

**CAPITAL PROGRAMME MONITORING - JUL 2017 - SUMMARY OF VARIATIONS FROM APPROVED PROGRAMME - SCHEME REPHASING**

| Variations on individual schemes                     | 2017/18<br>£000 | 2018/19<br>£000 | 2019/20<br>£000 | 2020/21<br>£000 | TOTAL<br>£000 | Comments/reason for variation  |
|--|-----------------|-----------------|-----------------|-----------------|---------------|--|
| <b>Rephasing of schemes</b>                          |                 |                 |                 |                 |               |  |
| Sharepoint Productivity Platform upgrade/replacement | Cr 1,000        | 1,000           | 0               | 0               | 0             | The project is slowly progressing. There were previous delays on the specification (carried out by the Council's external consultant). Officers are now taking a tactical solution where project will move to Sharepoint 2010 from the 2007 version, before finally moving to new platform of Office 365. £1m has been rephased into 2018/19.  |
| Civic Centre Development Strategy                    | Cr 3,588        | Cr 5,562        | 8,190           | 960             | 0             | Approved by Council 04/07/16. Members have decided to review whether the Old Town Hall could be used as a Democratic Hub and an Options Study will be undertaken to assess the feasibility and cost of this alternative and its impact on the Business Case. The findings of the Options Study will be reported to Members in September/ October 2017. The programme is on hold until then.  |
| Beckenham Town Centre improvements                   | Cr 1,506        | 1,506           | 0               | 0               | 0             | Final design and implementation costs funded by TfL. The first two phases of works are almost complete (Eastern side of the High Street , between Albermarle Road and Manor Road) and the expected completion of the programme of improvements is November 2018.   |
| Social Care Grant                                    | Cr 1,234        | 1,234           | 0               | 0               | 0             | This funding is made available to support reform of adult social care services. To date, these have been funded by the Council. As the new legislation for adult social care becomes clearer it is likely that this funding will be used to support the changes required. For example previously the funding has been used for works to Council owned learning disability properties and for investment in older people day opportunity services. £1,234k has been rephased into 2018/19.          |
| Basic Need   | Cr 5,000        | 5,000           | 0               | 0               | 0             | A full detailed report on the various projects within the Basic Need Programme was reported to Executive on 23 Mar 16. This includes works at Trinity (now completed), Castlecombe (work started Feb'17), Bishop Justus (delays at contractors and will be reviewed), Edgebury (completed), Poverest ( to start in Jun'17), Stewart Fleming (due to complete around Oct'17), and Leesons (to start in Jul'17), St George (due to complete around Oct'17). £5m has been rephased into into 2018/19. |
| Gateway Review of Housing I.T System                 | Cr 176          | 176             | 0               | 0               | 0             | Exec 21/03/17 approved the addition of £459k for the purchase of Housing IT System. A new provider has been appointed and work has commenced on implementation. Phase one is due to be completed by the end of the current financial year. £176k has been rephased into 2018/19.   |
| <b>TOTAL REPHASING ADJUSTMENTS</b>                   | Cr 12,504       | 3,354           | 8,190           | 960             | 0             |  |

**CAPITAL FINANCING STATEMENT Executive JUL 17 - ALL RECEIPTS**

(NB. Assumes all capital receipts - see below)

|   | 2016-17       |               | 2017-18       | 2018-19       | 2019-20       | 2020-21       | 2021-22       | 2022-23       | 2023-24       | 2024-25       |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
|   | Estimate      | Actual        | Estimate      | Estimate      | Estimate      | Estimate      | Estimate      | Estimate      | Estimate      | Estimate      |
|   | £000          | £000's        | £000's        | £000's        | £000's        | £000's        | £000's        | £000's        | £000's        | £000's        |
| <b><u>Summary Financing Statement</u></b> |               |               |               |               |               |               |               |               |               |               |
| Capital Grants                            | 8,935         | 9,913         | 30,311        | 15,575        | 1,027         | 865           | 0             | 0             | 0             | 0             |
| Other external contributions              | 12,515        | 6,599         | 17,270        | 6,593         | 4,000         | 4,000         | 4,000         | 4,000         | 4,000         | 4,000         |
| Usable Capital Receipts                   | 7,502         | 9,880         | 21,585        | 17,463        | 14,210        | 6,019         | 1,334         | 2,900         | 1,100         | 1,000         |
| Revenue Contributions                     | 27,452        | 26,598        | 5,045         | 1,100         | 1,100         | 1,100         | 100           | 100           | 100           | 100           |
| General Fund                              | 0             | 0             | 0             | 0             | 0             | 0             | 1,566         | 0             | 1,800         | 1,900         |
| Borrowing                                 | 0             | 0             | 0             | 0             | 0             | 0             | 0             | 0             | 0             | 0             |
| <b>Total expenditure</b>                  | <b>56,405</b> | <b>52,990</b> | <b>74,211</b> | <b>40,731</b> | <b>20,337</b> | <b>11,984</b> | <b>7,000</b>  | <b>7,000</b>  | <b>7,000</b>  | <b>7,000</b>  |
| <b><u>Usable Capital Receipts</u></b>     |               |               |               |               |               |               |               |               |               |               |
| Balance brought forward                   | 29,582        | 29,582        | 24,108        | 11,366        | 983           | 5,353         | 334           | 0             | 100           | 0             |
| New usable receipts                       | 8,198         | 4,406         | 8,843         | 7,080         | 18,580        | 1,000         | 1,000         | 3,000         | 1,000         | 1,000         |
|   | 37,780        | 33,988        | 32,951        | 18,446        | 19,563        | 6,353         | 1,334         | 3,000         | 1,100         | 1,000         |
| Capital Financing                         | Cr 2,109      | Cr 9,880      | Cr 21,585     | Cr 17,463     | Cr 14,210     | Cr 6,019      | Cr 1,334      | Cr 2,900      | Cr 1,100      | Cr 1,000      |
| <b>Balance carried forward</b>            | <b>35,671</b> | <b>24,108</b> | <b>11,366</b> | <b>983</b>    | <b>5,353</b>  | <b>334</b>    | <b>0</b>      | <b>100</b>    | <b>0</b>      | <b>0</b>      |
| <b><u>General Fund</u></b>                |               |               |               |               |               |               |               |               |               |               |
| Balance brought forward                   | 20,000        | 20,000        | 20,000        | 18,017        | 18,017        | 18,017        | 18,017        | 16,451        | 16,451        | 14,651        |
| Less: Capital Financing                   | 0             | 0             | 0             | 0             | 0             | 0             | Cr 1,566      | 0             | Cr 1,800      | Cr 1,900      |
| Less: Use for Revenue Budget              | Cr 5,369      | 0             | Cr 1,983      | 0             | 0             | 0             | 0             | 0             | 0             | 0             |
| <b>Balance carried forward</b>            | <b>14,631</b> | <b>20,000</b> | <b>18,017</b> | <b>18,017</b> | <b>18,017</b> | <b>18,017</b> | <b>16,451</b> | <b>16,451</b> | <b>14,651</b> | <b>12,751</b> |
| <b><u>TOTAL AVAILABLE RESERVES</u></b>    | <b>50,302</b> | <b>44,108</b> | <b>29,383</b> | <b>19,000</b> | <b>23,370</b> | <b>18,351</b> | <b>16,451</b> | <b>16,551</b> | <b>14,651</b> | <b>12,751</b> |

**Assumptions:**

New capital schemes - £2.5m p.a. from 2018/19 for future new schemes.

Capital receipts - includes figures reported by Property Division as at 03/07/17 and £1m pa from 2018/19.

Current approved programme - as recommended to Executive 19/07/17

**INVESTMENT FUND & GROWTH FUND - EXECUTIVE JUL 2017**

| <b>Investment Fund</b>  | £'000            |
|---|------------------|
| <b>Revenue Funding:</b>   |                  |
| Approved by Executive 7th September 2011  | 10,000           |
| Approved by Council 27th February 2013  | 16,320           |
| Approved by Council 1st July 2013   | 20,978           |
| Approved by Executive 10th June 2014  | 13,792           |
| Approved by Executive 15th October 2014   | 90               |
| Approved by Executive 26th November 2014 (Transfer to Growth Fund)  | Cr 10,000        |
| New Home Bonus (2014/15)  | 5,040            |
| Approved by Executive 11th February 2015 (New Homes Bonus)  | 4,400            |
| Approved by Executive 10th June 2015  | 10,165           |
| Approved by Executive 2nd December 2015 (New Homes Bonus)   | 141              |
| Approved by Executive 10th Feb 2016 (New Homes Bonus)   | 7,482            |
|   | <u>78,408</u>    |
| <b>Capital Funding*:</b>  |                  |
| Approved by Executive 11th February 2015 (general capital receipts)   | 15,000           |
| Approved by Executive 10th February 2016 (sale of Egerton Lodge)  | 1,216            |
|   | <u>16,216</u>    |
| <b>Total Funding Approved:</b>  | <u>94,624</u>    |
| <b>Property Purchase</b>  |                  |
| Approved by Executive 7th September 2011 (95 High St)   | Cr 1,620         |
| Approved by Executive 6th December 2012 (98 High St)  | Cr 2,167         |
| Approved by Executive 5th June 2013 (72-76 High St)   | Cr 2,888         |
| Approved by Executive 12th June 2013 (104 - 108 High St)  | Cr 3,150         |
| Approved by Executive 12th February 2014 (147 - 153 High St)  | Cr 18,755        |
| Approved by Executive 19th December 2014 (27 Homesdale)   | Cr 3,938         |
| Approved by Executive 24/03/15 (Morrisons)  | Cr 8,672         |
| Approved by Executive 15/07/15 (Old Christchurch)   | Cr 5,362         |
| Approved by Executive 15/07/15 (Tilgate)  | Cr 6,746         |
| Approved by Executive 15/12/15 (Newbury House)  | Cr 3,307         |
| Approved by Executive 15/12/15 (Unit G - Hubert Road)   | Cr 6,038         |
| Approved by Executive 23/03/16 (British Gas Training Centre, Thatcham)                                      | Cr 3,666         |
| Approved by Executive 15/06/16 (C2 and C3)  | Cr 6,451         |
| Approved by Executive 14/03/17 (Trinity House)  | Cr 6,236         |
|   | <u>Cr 78,996</u> |
| <b>Other Schemes</b>  |                  |
| Approved by Executive 20th November 2013 (Queens's Garden)  | Cr 990           |
| Approved by Executive 15th January 2014 (Bromley BID Project)   | Cr 110           |
| Approved by Executive 26th November 2014 (BCT Development Strategy)   | Cr 135           |
| Approved by Executive 2nd December 2015 (Bromley Centre Town)   | Cr 270           |
| Approved by Executive 15th June 2016 (Glades Shopping Centre)   | Cr 400           |
| Approved by Executive 11th January 2017 (Disposal of Small Halls site, York Rise)                           | Cr 46            |
| Valuation for 1 Westmoreland Rd   | Cr 5             |
| Valuation for Biggin Hill - West Camp   | Cr 10            |
| Growth Fund Study   | Cr 170           |
| Crystal Park Development work   | Cr 200           |
| Civic Centre for the future   | Cr 50            |
| Strategic Property cost   | Cr 258           |
| <b>Total further spending approvals</b>   | <u>Cr 2,644</u>  |
| <b>Uncommitted Balance on Investment Fund</b>   | <u>12,984</u>    |
| *Executive have approved the use of specific and general capital receipts to supplement the Investment Fund |                  |
| <b>Growth Fund:</b>   |                  |
|   | £'000            |
| <b>Funding:</b>   |                  |
| Approved by Executive 26th November 2014 (Transfer from Investment Fund)                                    | 10,000           |
| Approved by Executive 2nd December 2015   | 6,500            |
| Approved by Executive 23rd March 2016   | 6,000            |
| Approved by Executive 15th June 2016  | 7,024            |
| Approved by Executive 22nd March 2017   | 4,000            |
| Approved by Executive 20th June 2017  | 3,311            |
| <b>Total funding approved</b>   | <u>36,835</u>    |
| <b>Schemes Approved and Committed</b>   |                  |
| Approved by Executive 24th March 2015 (Housing Zone Bid (Site G))   | Cr 2,700         |
| Approved by Executive 24th March 2015 ((Site G) - Specialist)   | Cr 200           |
| Approved by Executive 18th May 2016 (Feasibility Studies and Strategic Employment Review)                   | Cr 180           |
| Approved by Executive 18th May 2016 (Broadband Infrastructure Investment)                                   | Cr 50            |
| Approved by Executive 20th Jul 2016 (BID - Penge & Beckenham)   | Cr 110           |
| Approved by Executive 1st Nov 2016 (19-25 Market Square)  | Cr 10,705        |
| Approved by Executive 1st Nov 2016 (63 Walnuts)   | Cr 3,834         |
| Approved by Executive 22nd March 2017 - Bromley Town Centre Public Realm improvement Scheme                 | Cr 3,564         |
| Approved by Executive 22nd March 2017 - Project Officer cost Bromley Town Centre Public Realm improvement S | Cr 40            |
| Approved by Executive 22nd March 2017 - Community Initiative  | Cr 15            |
| Approved by Executive 24th May 2017 - Feasibility Works/Property Disposal                                   | Cr 250           |
| Renewal Team Cost   | Cr 310           |
| <b>Total further spending approvals</b>   | <u>Cr 21,958</u> |
| <b>Schemes Approved, but not committed</b>  |                  |
| Approved by Executive 26th November 2014 (for Biggin Hill and Cray Valley)                                  | Cr 6,790         |
| <b>Uncommitted Balance on Growth Fund</b>   | <u>Cr 6,790</u>  |

| Location                                   | Estimated Feasibility / Viability Cost (£'000) | Description  | Status for July Cap Monitoring   |
|--|--|--|--|
| West Wickham Leisure Centre                | 35   | To fund study to deliver optimal new leisure facilities based on market evidence as to rents from third party operators' together with residential development to generate a capital receipt to fund the cost of re-provision of facilities.   | Verbal instruction given to C&W. Formal instruction being processed through Amey TFM Contract. |
| The Glades Department Store                | 49   | To fund work to progress the business case for the development of a new Department Store at the Glades Shopping Centre utilising the Council's interests at Market Square so as to improve footfall and therefore improve the asset value and return on income derived from the Council's ownership of The Glades.   | Verbal instruction given to C&W. Formal instruction being processed through Amey TFM Contract. |
| The Walnuts Centre                         | 33   | To fund work to progress the business case for the development at the Walnuts utilising the Council's interests at and around the Walnut's Centre including the Leisure Centre so as to provide larger retail opportunities and improve footfall and therefore improve the asset value and return on income derived from the Council's ownership of The Walnuts. | To be actioned - estimate instructions August/Sept - in negotiations with Rockspring           |
| Old Town Hall/Civic Centre                 | 44   | To fund a review of the Council's accommodation strategy at the Civic Centre based on the addition of the former Town Hall becoming available as part of the Council's property portfolio and how that asset could be utilised as a Democratic Centre and associated offices/meeting space.  | Verbal instruction given to C&W. Formal instruction being processed through Amey TFM Contract. |
| Depots Review - Disposal Options           | 45   | To fund disposal viability studies as to density and permitted development together with initial planning briefs so as to be in a position to take to market as an outcome of the Depot review.  | Instruction given to C&W. Formal instruction being processed through Amey                      |
| Biggin Hill Aviation College - Alternative | 20   | To fund potential alternative site viability studies for Biggin Hill should the Council decide not to pursue Area 1 purchase for an Aviation College/Enterprise Zone.  |  |
| Libraries (Chislehurst model roll out)     | 18   | To fund the investigation of viability of renewing other library facilities by redeveloping their sites and using the capital receipt proceeds to develop replacement facilities within said schemes.  | To be actioned - estimate instructions August  |
| Lease standardisation                      | 6  | To fund legal work to create standard T&C's to Portfolio   |  |
| <b>TOTAL</b>                               | <b>250</b>                                     |  |  |

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Report No.  
CSD17131

## London Borough of Bromley

### PART ONE - PUBLIC

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**Decision Maker:** COUNCIL

**Date:** Monday 25 September 2017

**Decision Type:** Non-Urgent                      Non-Executive                      Non-Key

**Title:** LONDON BUSINESS RATE PILOT

**Contact Officer:** Graham Walton, Democratic Services Manager  
Tel: 0208 461 7743    E-mail: graham.walton@bromley.gov.uk

**Chief Officer:** Mark Bowen, Director of Corporate Services

**Ward:** N/A

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1. Reason for report

- 1.1 At its meeting on 13<sup>th</sup> September 2017 the Executive considered and supported the attached report concerning the proposal that the Council joins the London Business Rates pool pilot. For the pilot to proceed, unanimous agreement from all London Boroughs and confirmation from central Government will be needed. Pre-decision scrutiny of the report was carried out by the Executive and Resources PDS Committee on 7<sup>th</sup> September 2017. The Committee supported the recommendations, with a small change to the final recommendation which the Executive accepted and which is reflected below.
- 

2. **RECOMMENDATIONS**

**That Council –**

**(1) Supports the London Business Rates pilot;**

**(2) Endorses the Leader agreeing the final arrangements at the Leader's Committee of London Councils to implement a scheme substantially in the form proposed;**

**(3) Agrees that the Leader –**

**(a) seeks to minimise the collective investment contribution; and**

**(b) obtains assurances from Government that any additional funding received will not be offset by future corresponding reductions in Government funding.**

## Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
- 

## Corporate Policy

1. Policy Status: New Policy: The Council would be agreeing to a Business Rates pilot which results in pooling the Council's business rates share across London
  2. BBB Priority: Excellent Council:
- 

## Financial

1. Cost of proposal: Estimated Cost: The proposal, if implemented across London, would generate potential additional income of between £1.94m and £2.58m based on latest estimates in 2018/19.
  2. Ongoing costs: Recurring Cost: Council has the option to opt out of the pilot beyond 2018/19. The pilot would determine how much of the estimated additional income is recurring until any future business rates reset period.
  3. Budget head/performance centre: NNDR Collection Fund
  4. Total current budget for this head: See paragraph 3.1.2 of the attached report.
  5. Source of funding: Business rates growth across London.
- 

## Personnel

1. Number of staff (current and additional): Not Applicable
  2. If from existing staff resources, number of staff hours: Not Applicable
- 

## Legal

1. Legal Requirement: Non-Statutory - Government Guidance: The proposals from London Councils for a Business Rates pool in London will require the unanimous agreement of all London Boroughs and will require the agreement of terms.
  2. Call-in: Not Applicable: Council decisions are not subject to call-in.
- 

## Procurement

1. Summary of Procurement Implications: Not Applicable
- 

## Customer Impact

1. Estimated number of users/beneficiaries (current and projected): The financial benefits arising from the Business Rates Pilot will assist in reducing the Council's ongoing budget gap which impacts on all of the Council's customers (including council tax payers) and users of services.
- 

## Ward Councillor Views

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

|   |                      |
|---|----------------------|
| <b>Non-Applicable Sections:</b>                       | See attached report. |
| Background Documents:<br>(Access via Contact Officer) | See attached report. |

PART 1 - PUBLIC

<Please select>

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**Decision Maker:** Executive Council

**Date:** 13<sup>th</sup> September 2017  
25<sup>th</sup> September 2017

**Decision Type:** Non-Urgent Executive Key

**Title:** LONDON BUSINESS RATE PILOT

**Contact Officer:** Peter Turner, Director of Finance,  
Tel: 020 8313 4668 E-mail: peter.turner@bromley.gov.uk

**Chief Officer:** Director of Finance

**Ward:** All

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1. Reason for report

This report provides a proposal for the Council to join the London Business Rates pool pilot which provides financial incentives. For the pilot to proceed it will require the unanimous agreement of all London Boroughs and confirmation from Government that a London wide scheme can go ahead.

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2. **RECOMMENDATION(S)**

2.1 **Executive is requested to recommend to Council that:**

2.1.1 **Council support the London Business Rates pilot;**

2.1.2 **Council endorses the Leader agreeing the final arrangements at the Leader's Committee of London Councils to implement a scheme substantially in the form proposed;**

2.1.3 **The Leader seeks to minimise the collective investment contribution and obtains assurances from Government that any additional funding received will not be offset by future corresponding reductions in Government funding.**

## Corporate Policy

1. Policy Status: New policy. The Council would be agreeing to a Business Rates pilot which results in pooling the Councils business rates share across London
  2. BBB Priority: Excellent Council.
- 

## Financial

1. Cost of proposal: Estimated cost The proposal, if implemented across London would generate potential additional income of between £1.94m and £2.58m based on latest estimates in 2018/19.
  2. Ongoing costs: Recurring cost. Council has the option to opt out of the pilot beyond 2018/19. The pilot would determine how much of estimated additional income is recurring until any future business rates reset period.
  3. Budget head/performance centre: NNDR Collection Fund
  4. Total current budget for this head: £ See para. 3.1.2
  5. Source of funding: Business rates growth across London
- 

## Staff

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

## Legal

1. Legal Requirement: Non-statutory - Government guidance. The proposals from London Councils for a Business Rates pool in London will require the unanimous agreement of all London boroughs and will require the agreement of terms.
  2. Call-in: Call-in is applicable
- 

## Customer Impact

1. Estimated number of users/beneficiaries (current and projected): The financial benefits arising from the Business Rates pilot will assist in reducing the Council's ongoing budget gap which impacts on all of the Council's customers (including council tax payers) and users of the service.
- 

## Ward Councillor Views

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

### 3. COMMENTARY

#### 3.1 Bromley's Business Rate Share

3.1.1 The Members Finance Seminar, held on 10<sup>th</sup> July 2017, provided an update on the progress of the devolution of business rates and the full devolution, at national level, is expected to be delayed until at least 2020/21.

3.1.2 A breakdown of the business rate share for Bromley is shown below for information

|  | 2017/18        | 2018/19        | 2019/20        |
|--|----------------|----------------|----------------|
|  | £'000          | £'000          | £'000          |
| Revenue Support Grant (Core Funding)             | 10,855         | 4,345          | 0              |
| Business Rate Share Bromley                      | 27,099         | 27,971         | 28,966         |
| Business Rate Top Up                             | 8,830          | 9,114          | 7,176          |
| <b>Sub Total (Settlement Funding Assessment)</b> | <b>46,784</b>  | <b>41,430</b>  | <b>36,142</b>  |
| Business Rate Share - GLA                        | 33,422         | 34,498         | 35,725         |
| Business Rate Share - Central Government         | 29,809         | 30,768         | 31,863         |
| <b>Total</b>                                     | <b>110,015</b> | <b>106,696</b> | <b>103,730</b> |
| <br>   |                |                |                |
| <i>Total Business Rate Share @ 100%</i>          | <i>90,330</i>  | <i>93,237</i>  | <i>96,554</i>  |

*Business Rate Share based on Settlement Funding Assessment and assumes no change to proportionate share (LBB 30% / GLA 37% / GVT 33%)*

3.1.3 As shown above, Bromley will receive a top up of £8.8m in 2017/18 to meet the settlement funding assessment – these monies are effectively a redistribution of national business rates income. If the Council received the government share of business rates, then income would increase by £29.8m. However, the full devolution of business rates was intended to result in a fiscally neutral position for local authorities whilst enabling future growth in business rates to be shared.

#### 3.2 London Business Rates Pilot Prospectus

3.2.1 The Government have offered an opportunity for Business Rates pilots and included financial incentives by pooling with other local authorities. Following the meeting of the Leaders Committee at London Councils on 11<sup>th</sup> July 2017, London Councils are formally seeking consideration of the attached draft prospectus. Details of the options for consideration are included in the attached document (see Appendix 1).

3.2.2 The proposed pool does not have to be permanent and can be disbanded, if necessary, after a year.

3.2.3 There remains the question of whether the Government would now support such an arrangement but, my understanding is that, it does not need primary legislation to progress. A letter from the Chancellor of the Exchequer to London Councils and the Mayor of London provides some assurance that the pilot can progress (see Appendix 2).

- 3.2.4 In terms of implementing a pilot scheme, it will require unanimous agreement of all London boroughs to proceed. To progress with the scheme, the Executive need to consider whether to agree to a London wide pool and make recommendations to full Council. Council would consider whether to join the pool and, if so, would be requested to give delegated authority to the Leader to progress with final arrangements. This will enable the Leader to have authority to indicate his support or otherwise at the Leaders and Mayor meeting on 10<sup>th</sup> October 2017.
- 3.2.5 The attached prospectus identifies potential additional income for London of £229m by operating a pool, using forecast information provided from individual local authorities on their expected business rates. There is a commitment that no local authority would be worse off compared with retaining the existing share scheme.
- 3.2.6 The suggested four objectives for the distribution of additional income highlighted in Appendix 1 would be as follows:
- a. **Incentivising growth** (by allowing those boroughs where growth occurs to keep some proportion of the additional resources retained as a result of the pool);
  - b. **Recognising the contribution of all boroughs** (through a per capita allocation);
  - c. **Recognising need** (through the needs assessment formula);
  - d. **Facilitating collective investment** (through a collective investment pot designed to promote economic growth within London and lever additional investment funding from other sources).
- 3.2.7 The potential additional income, on the basis of a London wide gain of £229m, would be as follows for Bromley:

| <b>Potential Additional Business Rates Share to Bromley with Pilot Pool</b> | <b>£m</b> |
|---|-----------|
| Option A 25%/25%/25%/25% (a/b/c/d per 3.2.6 above)                          | 2.15      |
| Option B 30%/30%/30%/10% (a/b/c/d per 3.2.6 above)                          | 2.58      |
| Option C 40%/20%/20%/20% (a/b/c/d per 3.2.6 above)                          | 1.94      |
| Option D 20%/30%/30%/20% (a/b/c/d per 3.2.6 above)                          | 2.47      |

- 3.2.8 The per capita measure provides the greatest financial benefit to the Council compared with “recognising need” and any weighting relating to facilitating collective investment does not provide direct financial benefit. It is recognised that the local authorities with the highest level of business rates growth/gains will want to retain a proportion of the direct financial benefits of such gains. In considering the collective investment contribution, to what extent will such investment provide benefit to Bromley? London Councils have indicated that the collective investment approach is likely to be viewed favourably by Government, as it helps address the original policy objectives behind business rate retention and would require closer working and governance arrangements to be developed between the Mayor and the 33 borough Leaders for the purposes of establishing and operating the pool, and in delivering the desired outcomes.
- 3.2.9 If there was no collective investment requirement, the additional income to Bromley would equate to (on a pro rata basis) £2.89m (adjusted Option A), £2.89m (adjusted Option B), £2.4m (adjusted Option C) and £3.1m (adjusted Option D). This potential income would be in addition to any income received under the existing business rates share scheme, using projections provided by London boroughs. It is important to note that the proposals include

financial incentives which can only be realised by pooling business rates with other local authorities.

- 3.2.10 It is important to recognise that without progressing with this pilot, London will forego a potential income of £229m for the first year and, based on the London Councils illustrative options in the attached report, Bromley will forego estimated additional income of between £1.94m and £2.58m.
- 3.2.11 Although there will be more detail to follow around governance and seeking collective agreement, the financial argument is compelling. It is also important to recognise that failure to take up the offer could be perceived as “underfunded” local authorities foregoing an opportunity for additional funding.
- 3.2.12 Members are requested to indicate their level of support for the scheme. There is no information currently available on the distribution methods being favoured by other London boroughs which are expected to be determined at the Leaders and Mayor meeting on 10<sup>th</sup> October 2017 (see 3.2.4). The option of retaining resources in a strategic investment pot is likely to be viewed favourably by Government. It helps address the original policy objectives behind business rate retention and would require closer working and governance arrangements to be developed between the Mayor and the 33 borough Leaders for the purposes of establishing and operating the pool as well as delivering the desired outcomes.

#### **4. POLICY IMPLICATIONS**

- 4.1 The Council launched the updated “Building a Better Bromley 2016-2018”. One of the key priorities includes ensuring financial independence and sustainability. The opportunity for a share of additional income, by joining the pool, will assist in reducing the Council’s budget gap.

#### **5. FINANCIAL IMPLICATIONS**

- 5.1 Latest estimates from London Councils indicate that the Council could benefit by between £1.94m and £2.58m in 2018/19, depending on the final option agreed. This potential income would be in addition to any income received under the existing business rates share scheme, using projections provided by London boroughs. It is important to note that the proposals include financial incentives which can only be realised by pooling business rates with every other London borough.
- 5.2 Any final scheme would require the approval of Government and the scheme would only progress on the basis that no individual London borough would be worse off compared with retaining the existing share scheme.
- 5.3 As indicated in the report, there is uncertainty on how the collective investment element of the business rates share would be used and it is therefore suggested that this element be kept to a minimum in any final proposed scheme, whilst recognising that collective investment would make a pilot more attractive to central government. Any estimate of financial gains has to be treated with some caution at this stage and it will be dependent on business rates growth in 2018/19.
- 5.4 It is important that any financial gains are not offset by any future corresponding reduction in Government funding and assurances will be required for any final scheme.

## 6. LEGAL IMPLICATIONS

- 6.1 The proposals from London Councils for a business rates pool in London will require the unanimous agreement from each London borough and will require the agreement of terms upon which they will participate jointly with other members, including appointing a lead authority as an accountable body for the pool and to decide how the pool should operate. The Council is being requested to delegate the exercise of their relevant functions to a joint committee, such as Leaders' Committee which would require the Leaders' Committee governing agreement to be formally varied which requires the agreement of all 33 authorities for the variation to be effective.
- 6.2 The majority of decisions relating to business rates are Executive functions save where they are integral to the annual budget or where they could have a significant impact (whether positive or negative) on the Council's finances. In the latter case then under paragraph 3 of the Budget and Policy Framework Rules in the Council's Constitution when the decision is taken by Council on the recommendation of the Executive. The Councils Directors of Corporate Services and Finance respectively as statutory Monitoring and 151 Officers respectively are of the opinion that the impact of the scheme is at a threshold where Council approval is required.
- 6.3 If Council approval is given then future decisions will be a matter for the Leader/Executive

|                       |   |
|-----------------------|---|
| Background Documents: |   |
|                       | London Councils - report to Leaders Committee on 11 <sup>th</sup> July 2017, Agenda Item 4, "London Business Rates Pilot Pool 2018-19"<br>Impact on Vulnerable Adults with Children N/A<br>Personnel Implications N/A<br>Procurement Implications N/A |





Borough Leaders

Contact: Guy Ware  
 Direct line: 020 7934 9748  
 Email: [guy.ware@londoncouncils.gov.uk](mailto:guy.ware@londoncouncils.gov.uk)

Date: 14 July 2017

Cc: London Borough Chief Executives;  
 John O'Brien; Dick Sorabji; Guy  
 Ware

Enc: Draft Pooling Prospectus

Dear Leaders,

### **London Business Rates Pool 2018-19**

Following the item at Leaders' Committee on 11<sup>th</sup> July 2017 regarding the proposals for an expanded London business rates retention pilot via a pan-London pool, we are writing formally to seek your consideration of the attached draft prospectus, which sets out how it is envisaged that a pilot pool could operate in 2018-19, should the Government renew its commitment to this approach.

As reported to Leaders' Committee, the Government's policy intentions with regard to 100% retention of business rates remain unclear following the General Election. However, the Leaders' Committee report also set out an approach by which London Government could remain in a position to negotiate a 2018-19 pilot pool.

The benefits this would deliver include early retention of 100% of growth across London (rather than 67% currently retained); savings from the scrapping of any levy on growth; and, potentially, the transfer of some Central List properties to the London pool increasing the capacity to benefit from growth, and possibly trialling greater flexibility over some mandatory reliefs. In addition, there could be broader strategic benefits to developing London's governance arrangements, broadening our ability to influence CLG and HM Treasury.

The report identified two founding principles that we envisage would be the basis for agreement whereby:

1. no authority participating in the pool could be worse off than they would otherwise be under the 50% scheme; and
2. all members would receive some share of any net financial benefits arising from the pilot pool.

The report also set out four objectives to inform the distribution of any aggregate financial benefit that may accrue from being in a pool:

- **incentivising growth** (by allowing those boroughs where growth occurs to keep some proportion of the additional resources retained as a result of the pool)
- **recognising the contribution of all boroughs** (through a per capita allocation)
- **recognising need** (through the needs assessment formula); and

- **facilitating collective investment** (through an investment pot designed to promote economic growth and lever additional investment funding from other sources).

The enclosed draft prospectus sets out more detail about the founding principles of a potential pool agreement; options for allocating the financial benefits; and the proposed governance and administrative arrangements for operating a potential pool.

Leaders' Committee agreed to consider the draft prospectus as the basis for consultation within your respective authorities over the summer, in order that you are in a position to be able to indicate in-principle support for a pan-London pilot pool, or not, and to indicate a preference for the distribution method of any additional resources, by the Leaders' Committee and Congress of Leaders and Mayor meeting on 10<sup>th</sup> October 2017.

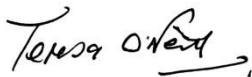
Should the Government renew its commitment in the Autumn Budget (likely to be November), a final detailed pooling agreement would then be negotiated with CLG, with the likely deadline being the time the Local Government Finance Report is published in February 2018, in order that the detailed governance and legal framework is in place in a timely manner prior to implementation in April 2018.

We appreciate that there is a degree of uncertainty regarding the broader policy intention of the new Government in this area. The Government did, however, commit to exploring this through the London Devolution MOU at the Spring Budget in March, and it is only right that London Government consider these proposals fully, in order to be in the best possible position to make the most of this opportunity, were the Government to renew this commitment in the Autumn.

Yours sincerely,



Cllr Claire Kober  
**Chair, London Councils**  
**Labour Group Leader**



Cllr Teresa O'Neill  
**Vice Chair, London Councils**  
**Conservative Group Leader**

# London Business Rates Pilot Pool 2018-19 – Draft Prospectus

## Introduction

1. This draft prospectus sets out how it is envisaged that the London Business Rates pilot pool would work in practice, were the 33 Leaders/Mayors and the Mayor of London to agree to form a pool in 2018-19.
2. The Government established pilots in 6 areas of the country in April 2017, including London where the GLA's level of retained business rates increased from 20% to 37%, replacing TfL transport grant and Revenue Support Grant. An expanded London pilot in 2018-19, which would require all 33 London Boroughs and the Mayor of London to agree to pool, would seek at least to replicate the common features of the deals in the other 5 pilot areas: Greater Manchester; Liverpool City Region; West Midlands, West of England and Cornwall.

## Founding principles

3. It is proposed that there are two founding principles that would require agreement at the outset by all pooling members.

### 1) Nobody worse off

4. The first founding principle of the agreement would be that ***no authority participating in the pool can be worse off than they would otherwise be under the 50% scheme.***
5. DCLG civil servants have indicated an expectation that a London pilot pool would be underpinned by the same safety net arrangements and “no detriment” guarantee currently offered to existing pilots in 2017-18. This ensures that the pool, as a whole, cannot be worse off than the participating authorities would have been collectively if they had not entered the pool.
6. Existing Enterprise Zones and “designated areas”, along with other special arrangements, such as the statutory provision to reflect the unique circumstances of the City of London, would be taken into account in calculating the level of resources below which the guarantee would operate. For boroughs in an existing pool<sup>1</sup>, DCLG have also indicated that the basis of comparison would include the income due from that pool.
7. The impact of the guarantee would be to ensure that the minimum level of resources available for London, as a whole, could not be lower than it would otherwise be. In order to then ensure that no *individual authority* is worse off, the first call on any additional resources generated by levy savings and additional retained rates income,

<sup>1</sup> Of the 33 London authorities in 2017-18 this includes Barking & Dagenham, Havering and Croydon

would be used to ensure each borough and the GLA receives at least the same amount as it would have without entering the pool.

8. The level of Revenue Support Grant (RSG) for each borough has been set by the 4-year settlement (to 2019-20). For each borough this would be replaced by retaining additional rates (just as the GLA has done this year). In addition Public Health Grant (PHG) and the Improved Better Care Fund (iBCF) would also be replaced by rates, leading to an adjustment of expected baselines and top-ups or tariffs (as appropriate). While the composition of each borough's "core funding" (retained rates plus RSG, Public Health Grant and iBCF) will therefore change, the overall quantum will not. This revised position is then the baseline against which the "no detriment" guarantee is calculated. Each borough – whether its business rate income grows or declines during the operation of the pilot pool – will receive, as a minimum, the same amount of cash it would have received under the existing 50% system.

## 2) All members share some of the benefit

9. Growing London's economy is a collective endeavour in which all boroughs make some contribution to the success of the whole. In recognition of the complex interconnectedness of London's economy, it is proposed that the second proposed founding principle would be that ***all members would receive some share of any net benefits arising from the pilot pool.***
10. The net financial benefit of pooling consists of retaining 100% of growth (rather than 67% across London under the current scheme), and in not paying a levy on that growth (which tariff authorities and tariff pools currently pay). The principle would mean that *any aggregate growth* in the pool overall – because of the increased retention level – would generate additional resources to share, with each pooling member benefit to some extent.
11. In addition, it could be possible to transfer of some Central List properties located in London (for example, the London Underground network) to the London pool, thereby increasing the capacity of the pool to benefit from growth on those properties. This would be explored with government as part of the pool negotiation.

## **Sharing the benefits of pooling**

### Objectives

12. Assuming the pool generates some level of additional financial benefit, the question of how to share this will be central to any final pooling agreement. The latest estimated net benefit to participating in the pool is expected to be in the region of £230 million in 2018-19, based on London Councils' modelling using boroughs' own forecasts.
13. Discussions with the Executive and informally with Group Leaders, have identified four objectives that could inform the distribution of such gains:

- **incentivising growth** (by allowing those boroughs where growth occurs to keep some proportion of the additional resources retained as a result of the pool)
  - **recognising the contribution of all boroughs** (through a per capita allocation)
  - **recognising need** (through the needs assessment formula); and
  - **facilitating collective investment** (through an investment pot designed to promote economic growth and lever additional investment funding from other sources).
14. A “pure” way to **incentivise growth** would be for the London local authorities where growth occurs to retain the full benefit, including any levy savings, after ensuring all authorities had been brought up to the level of funding they would otherwise have received under the current 50% scheme. This option would see the greatest reward go to those whose business rates grow, but would produce no net benefit for the minority of boroughs where no (or negative) growth is expected.
15. A simple **per capita distribution** using the latest population estimates from the ONS<sup>2</sup>, would recognise the requirement to work collectively to grow London’s economy and ensure a share of the benefit for all authorities.
16. While the role of incentivising growth is important, some recognition of **increasing need** and demand for services has also been identified as a priority. Economic and business growth also drives, and is reinforced by, increasing demand for services across the capital. One measure that could be used to distribute any net benefit could therefore be to reflect the Government’s current assessment of need: Settlement Funding Assessment (although this will clearly be subject to change in future following any “Fair Funding” review).
17. Recognising the requirement for **collective investment** to promote further economic growth could be facilitated by retaining resources in a strategic investment pot. Such an approach is also likely to be viewed favourably by Government, as it helps address the original policy objectives behind business rate retention and would require closer working and governance arrangements to be developed between the Mayor and the 33 borough Leaders for the purposes of establishing and operating the pool, and in delivering the desired outcomes.
18. Individually, these principles would drive very different distributions of the direct benefits received by boroughs. The pure “incentives” approach would obviously favour those with the highest growth rates. Distribution according to SFA and population creates a more even spread of resources, but arguably provides less incentive to promote growth, and may therefore not optimise the opportunity for London in the longer term. It is proposed that a distribution mechanism should be a blend of all four of these objectives.

<sup>2</sup> The 2014-based Sub-National Population Projections for 2018

### Options for weighting

19. In deciding the balance between the four objectives, and therefore the relevant weighting between the measures listed above, there are countless possible variants. However, following initial discussions with Group Leaders, four potential options are illustrated below:

- A. An even split percentage between the four pots (25:25:25:25).
- B. Reducing the strategic investment pot to 10% of the total, while the “reward”, “needs” and “population” pots are equally weighted (30:30:30:10).
- C. Greater “incentive weighting” with equal weighting for the other three pots (40:20:20:20)
- D. Greater “needs” and “population” weightings (each 30%) with equal remaining weightings of 20% for “incentives” and “investment” pots (20:30:30:20)

20. The potential net benefit for each borough from this model – based on the latest information available on estimated income for 2018-19 – is set out in the charts at Appendix A and summarised in the table below. Under the 100% pilot pool it is estimated that there might be £470m of retained growth: £229m more than under the 50% scheme (after ensuring no borough is worse off as a result of participating).

**Table 1 – Distribution options for estimated £229m net benefit of pooling in 2018-19**

| Option                       | A           | B           | C           | D           |
|------------------------------|-------------|-------------|-------------|-------------|
| GLA share (£m)               | £62         | £75         | £66         | £66         |
| Aggregate borough share (£m) | £110        | £131        | £117        | £117        |
| Investment pot (£m)          | £57         | £23         | £46         | £46         |
| <b>TOTAL (£m)</b>            | <b>£229</b> | <b>£229</b> | <b>£229</b> | <b>£229</b> |
| Minimum borough gain (£m)    | £1.2        | £1.5        | £1.1        | £1.4        |
| Maximum borough gain (£m)    | £12.4       | £14.9       | £19.6       | £10.1       |

Source: London Councils’ modelling using London Boroughs’ data supplied by borough finance directors or where not available by applying the latest 2017-18 forecasts to 2018-19.

21. Leaders are invited to consider the options in the context of balancing the objectives of incentives and need, and be in a position to indicate a preference for the weighting by the October Leaders’ Committee and Congress meeting.

### Investment pot principles

22. If an “investment pot” is created, the final amount of funding available will not be known until after the final audited outturn figures are confirmed for 2018-19 – likely to be in September 2019. A final methodology for allocating resources to specific projects is therefore not necessarily required at the outset of the pooling agreement. However, it will be important to consider the criteria and process for developing and approving proposals, in order to maintain a balance between simplicity of operation, strategic impact and broad appeal.

23. More immediately, it is proposed that the founding pool agreement includes *guiding principles* for the use of such an investment pot, for approval by all members of the pool. As such, it is proposed that investment proposals approved would:
- promote increased economic growth, and increase London’s overall business rate income; and
  - leverage additional investment funding from other sources.
24. It is proposed that these principles would be agreed as part of the founding agreement for the pool – and would therefore require unanimous support. It is then assumed that decisions on the allocation of the pot would be taken by the Congress of Leaders and the Mayor annually in accordance these principles.

## **Governance**

25. Leaders and the Mayor have previously endorsed the view that commitment to the collective management of devolved business rates would require unanimous support, and have identified Congress as the appropriate body formally to recognize those commitments.
26. However, the Congress of Leaders has no power to bind authorities. Local decisions would need to be taken by each authority to agree the terms of the legal agreement which would underpin the arrangements.
27. Participation in a pool in 2018-19 would not bind boroughs or the Mayor indefinitely. As with existing pool arrangements, the founding agreement would need to include notice provisions for authorities to withdraw in subsequent years.
28. Subsequent decisions (e.g. the application of a strategic investment pot) could be subject to the voting principles designed to protect group, sub-regional or Mayoral interests, such as those previously endorsed by Leaders and the Mayor in the London Finance Commission (both 2013 and 2017), and set out in London Government’s detailed proposition on 100% business rates in September 2016. This will require the development of formal terms of reference for Congress to underpin collective decision-making in accordance with the decision principles previously agreed. As mentioned in paragraph 22, any such decisions would not be required until the level of available resources is confirmed after all accounts have been audited (i.e. September 2019).
29. Establishing a business rates pool in London will require each authority participating in the pool to agree to do so; and to also agree the terms upon which they will participate jointly with other members, including to appoint a lead authority as accountable body for the pool and to decide how the pool should operate. While the legal framework for the operation of the pool is yet to be determined in consultation with the authorities and the Government, should the London local authorities each resolve to delegate the exercise of their relevant functions to a joint committee, such

as Leaders' Committee, this would require the Leaders' Committee governing agreement to be formally varied which requires the agreement of all 33 authorities for the variation to be effective.

## **Accounting and reporting arrangements**

### Lead authority

30. As in other existing pools, a lead authority would be required to act as the accountable body to government and would be responsible for administration of the pooled fund. The same authority – or another – could also hold any properties transferred to London from the Central List, as there is currently no legislative provision for a “regional list”. The role of the lead authority/authorities could receive political oversight from the Leaders and Mayor of London; London Councils and the GLA could provide technical support.
31. The lead authority responsibilities from existing pool agreements typically include:
- Receiving payments from pool members and making payments to central government on behalf of pool members on time.
  - Maintaining a cash account on behalf of the pool and paying interest on any credit balances.
  - Liaising with and completing all formal pool returns to central government.
  - Administering the schedule of payments between pool members in respect of the financial transactions that form part of the pool's resources.
  - Providing the information required by pool members in preparing their annual statement of accounts in relation to the activities and resources of the pool.
  - Leading on reporting to understand the pool's position during and at the end of the financial year.
32. The lead authority would, therefore, be responsible for the net tariff payment to central government as well as the internal tariff and top up payments to the pool authorities. The partner billing authorities would make payments to the lead authority based on an agreed schedule, which could be made on the same schedule of payment dates agreed for tariff and top up payments.
33. It is likely that the resources required to perform this function would be 1 FTE post, which would likely be a senior accountant with considerable experience and understanding of collection fund accounting and the business rates retention scheme.

### Reporting

34. In order to perform the functions of the lead authority, each member authority of the pool would need to provide timely information as well as making payments on time to the agreed schedule.



35. Forecast (NNDR1) and outturn (NNDR3) figures will still need to be produced, as per the existing NDR Regulations 2013, in order to enable budget processes to be complete, payments determined that need to be made to the lead authority and to government (by the lead authority) and to the GLA during the course of the year as well as transfers to General Funds.
36. The pool would use NNDR1 returns to establish the schedule of payments to be made to the lead authority and for the calculation of any notional levy savings to be made. However, it would not be until the outturn position is known (the NNDR3 form) that actual reconciliation would be made and the final growth/decline for the pool as a whole, and individual pool members, would be established. This will be in September 2019 after accounts have been audited for the financial year 2018-19.
37. The NDR income figures in the forms determine the growth/decline for that year and it is this figure that would determine the amount to be shared between pool members or between local authorities and central government in the current system.

#### *The treatment of appeals*

38. Variances against forecast in the non-domestic rating income are reflected in the forecast surplus or deficit of the collection fund at the start of the following year (information which is collected as part of NNDR1). Appeals provisions impact each year on the calculation of the NNDR income figure: a higher provision in a year, everything else being equal, reduces the NNDR income figure determining growth/decline for that year.
39. A separate pooled collection fund would be required to be established that would sit with the lead authority. A key issue will be the treatment of Collection Fund surpluses and appeals provisions within the pool. The key principle pooling authorities would have to agree is that the benefits (or costs) of actions undertaken by the boroughs prior to entering the pool should remain with the borough so that no borough can be worse off than they would have been under the 50% scheme. So – for example – if a provision established in 2013-14 proves not to be necessary and is released during 2018-19, the borough should receive at least as much as it would have under the existing 50% scheme, plus its share of any additional retained revenues.
40. The pool's collection fund account would have to continue beyond the life of the pool until all appeals relating to the pool period were resolved. Provisions released after the operation of the pilot would be distributed on the basis of the pool's founding agreement – i.e. the borough where the provisions originated would receive at least as much as it would under the 50% retention system, with any additional resources being shared according to the pool's agreed distribution mechanism. There would therefore be no "gaming" benefits to individual boroughs of setting higher (or lower) provisions. The lead authority would be responsible for administering this.
41. Further work will be undertaken to set out how the accounting and reporting requirements would work in practice, which is likely to mean either additional lines on

the existing NNDR form or an additional “London pool” form administered by the lead authority. This will be confirmed as part of the final pooling agreement.

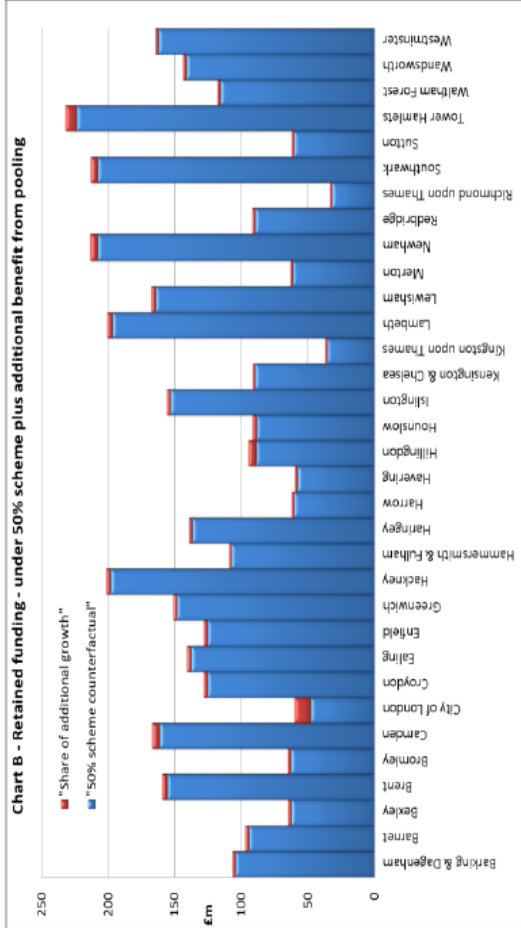
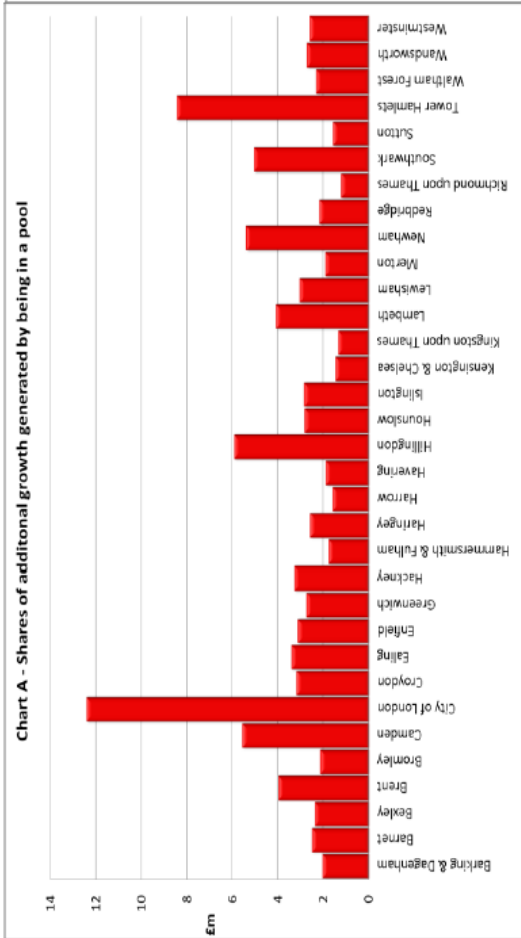
## **Timetable**

42. A 2018-19 pilot would require agreement with Government at or around the Autumn Budget – likely to be in November 2017. This, in turn, would necessitate initial agreement in principle at the meetings of the Leaders’ Committee and Congress of Leaders on 10th October 2017 on the basis that each authority had been consulted and had either previously authorised that decision to proceed with participation in the pilot, or that their authority’s Leader had been given delegated authority to do so.
43. This draft prospectus forms the basis for internal consideration and discussion within each of the 34 prospective pooling authorities over the summer, in order for each Leader and the Mayor to be in a position to consider each authority’s in principle position about the pool and to indicate this at the Congress of Leaders on 10th October, in the event that the Government wishes to pursue a pilot pool in London.
44. A final detailed pooling agreement would then be negotiated with DCLG, with the likely deadline being the time the Local Government Finance Report is published in February 2018. Respecting the tight timeframes for the pilot’s commencement in April 2018 and the likelihood that an agreement would need to be reached with the Government in the Autumn, it is probable that further local decisions required from the 34 prospective pooling authorities relating to the legal framework to be implemented, could follow in the intervening period but all these matters would need to be resolved in a timely manner prior to April 2018 to allow for implementation.

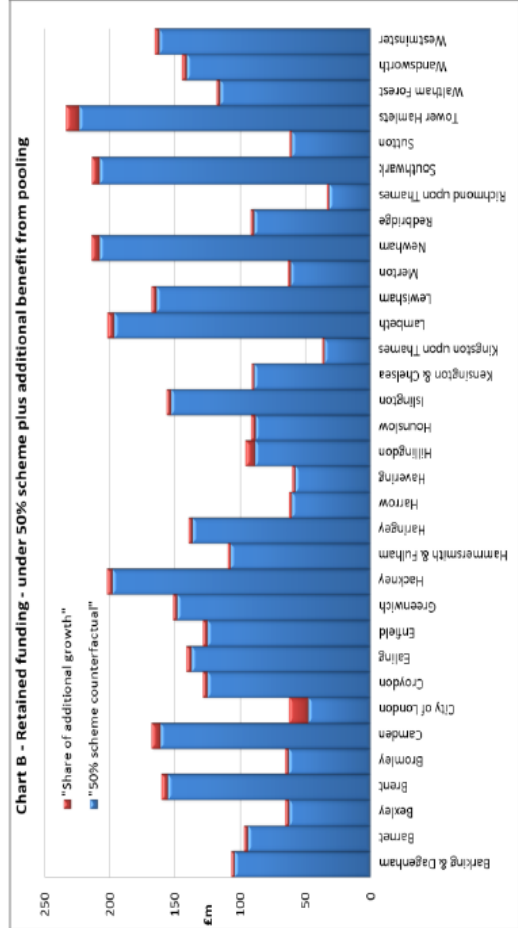
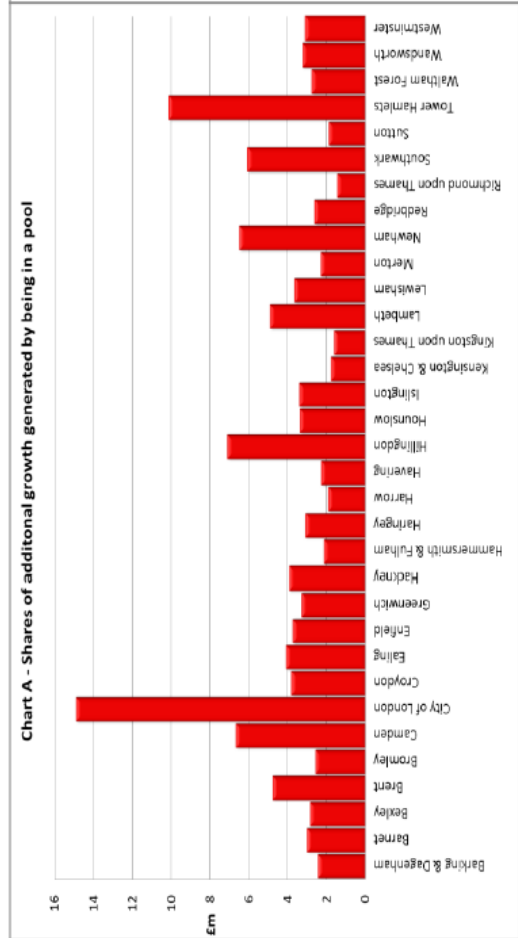
## Appendix A – Modelled Options

1. This appendix shows the impact of varying weightings on the overall distribution of any net additional benefit from being in the pool. It assumes the latest growth estimates for 2018-19 across London boroughs (combining where available figures from a recent survey of treasurers and, where not available, the latest published estimates of growth in 2017-18 applied as if in 2018-19). The overall net benefit being distributed is £229m.
2. The charts below show the distribution of growth under four different scenarios for the relative weightings between the four potential distribution “pots” described above - i.e. incentives; needs (SFA); population (ONS 2018 projection) and investment pots.
  - Option A: weights each pot at 25%
  - Option B: Incentives (30%), Needs/Population (30% each) and Investment (10%)
  - Option C: Incentives (40%), Needs/Population (20% each) and Investment (20%)
  - Option D: Incentives (20%), Needs/Population (30% each) and Investment (20%)
3. For each option we have illustrated both the cash gain for each borough (red, left-hand bar charts) and the marginal gain over the retained funding under the existing 50% position (red and blue, right-hand bar charts).

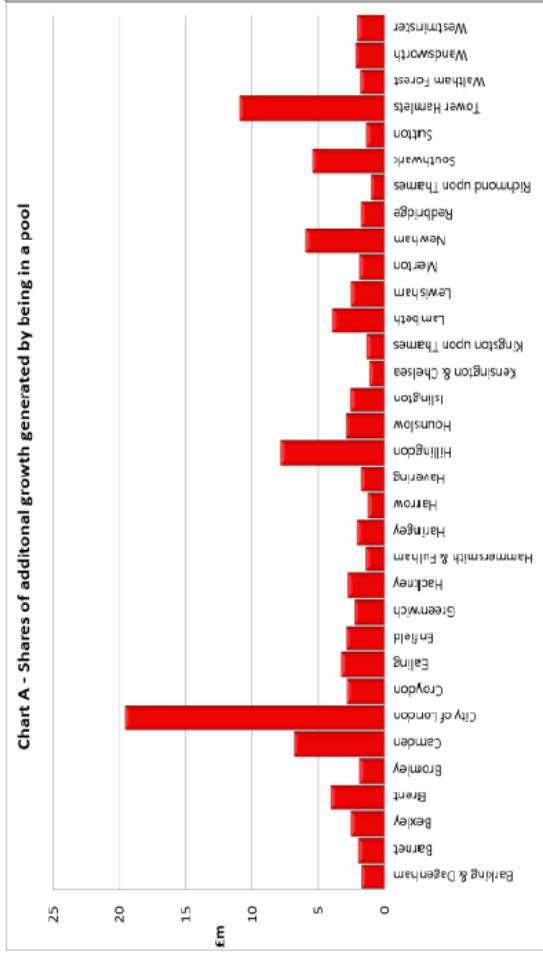
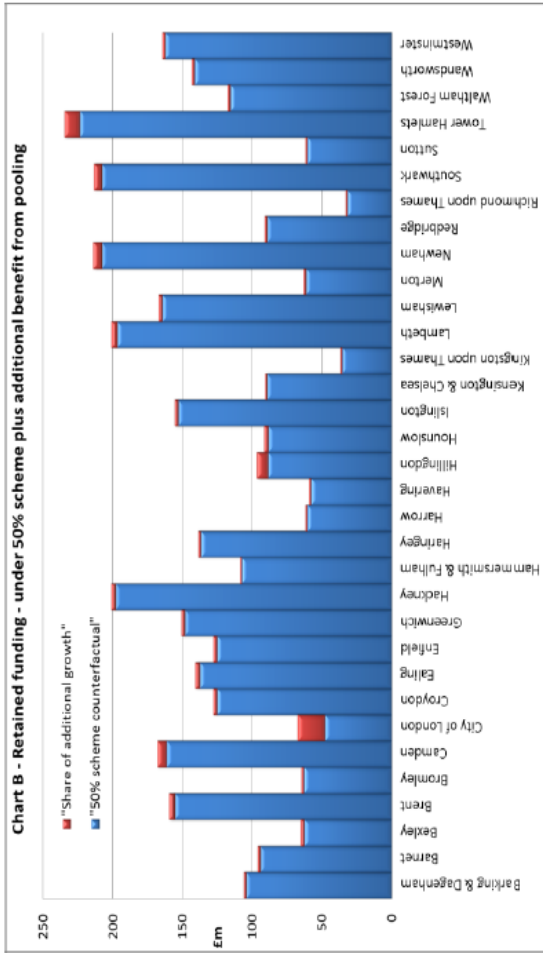
**Option A: Equal split between pots – 25%/25%/25%/25%**



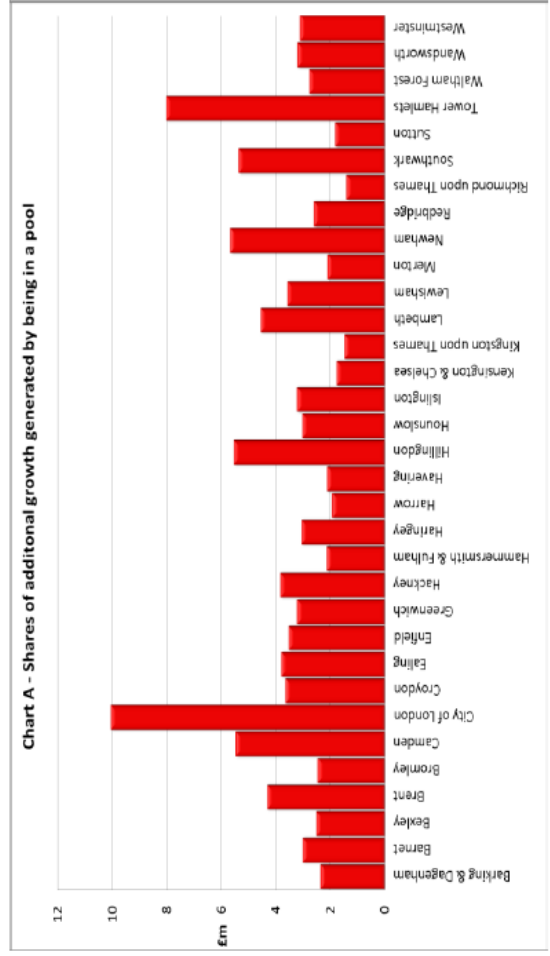
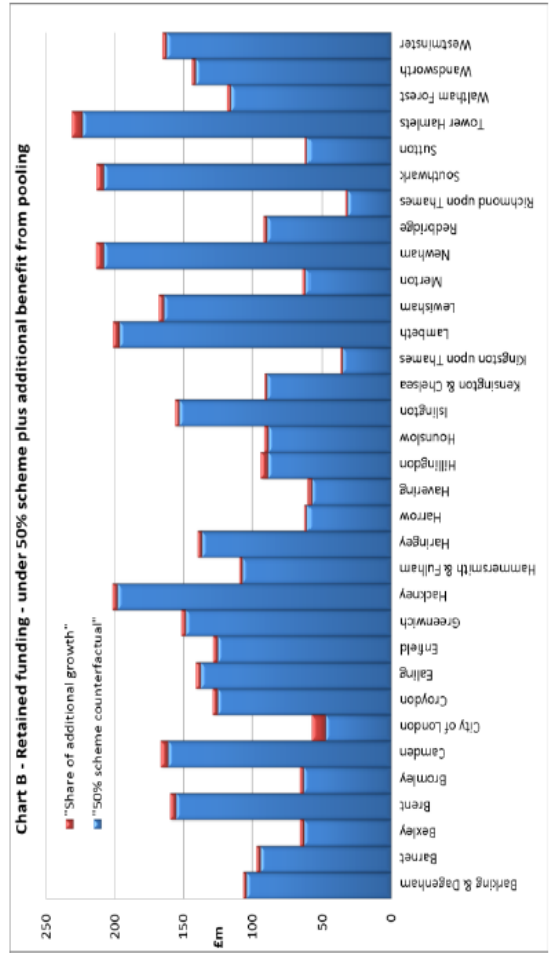
**Option B: Reduced "investment pot": 30%/30%/30%/10%**



**Option C: Greater "incentive" weighting: 40%/20%/20%/20%**



**Option D: Greater "Needs/population" weighting: 20%/30%/30%/20%**





HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

14 August 2017

Sadiq Khan  
Mayor of London  
City Hall, The Queen's Walk  
More London  
London  
SE1 2AA

Cllr Claire Kober  
Chair, London Councils  
59½ Southwark Street  
London  
SE1 0AL

*Dear Sadiq & Claire*

Thank you for your letter and ongoing commitment to working together to support the continued interests of London and the rest of the UK.

The government remains committed to implementing the Memorandum of Understanding (MoU) on further devolution to London that we agreed at Budget. I understand that discussions are ongoing across government and with London partners to make progress on the areas covered by the MoU. I expect these discussions to continue over the coming months and will continue to monitor their progress to ensure that we are delivering on our shared commitments.

The government remains committed to continuing to give local government greater control over the money it raises, and intends to maintain an open dialogue with local government about the best way to achieve this. Government officials, the GLA and London Councils are exploring the possibility of piloting 100% business rates retention in London from as early as April 2018. Any such deal would form part of a wider package of powers and flexibilities over the administration of business rates in London, in line with the commitment in the MoU.

I welcome the work being done by the Mayor's Office and the Department for Transport on Crossrail 2. However, we must ensure that any investment is both affordable and fair to the national taxpayer.

I also welcome your intention to work with the government to take urgent action to tackle air pollution. Improving air quality is a priority for this government. As you will have seen,

we have now published our *UK Plan for Tackling Roadside Nitrogen Dioxide Concentrations*, which sets out plans to meet our environmental responsibilities and ensure our towns and cities are clean, healthy places to live. We are committed to working closely with London and other cities as we implement the Plan and I understand that our officials have been in contact regarding the proposals you mention.

Last year I announced that the government will guarantee all European Structural and Investment Fund (ESIF) projects signed before the UK leaves the EU. This includes those projects that will continue after the UK has left the EU. Funding for projects will be guaranteed if the relevant government department believes that they provide good value for money and are in line with domestic priorities.

The government's manifesto committed to creating a UK Shared Prosperity Fund using the structural fund money that comes back to the UK. The government will consult widely on the design of the fund. This will include London partners and we will set out further details on this in due course.

I am aware that DCLG are working closely with Westminster Council and the West End Partnership to consider the case for the government to provide support for investment in London's West End. Officials are analysing the detail of the proposal. The government will take a decision on its support for the scheme once this process is completed.

I look forward to continuing to work with you to support the continued growth and prosperity of London and the rest of the UK. I am copying this letter to the Rt Hon Greg Hands MP, Minister for London, and Rt Hon Gavin Barwell, the Prime Minister's Chief of Staff.



PHILIP HAMMOND

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