

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

Minutes of the meeting held at 7.00 pm on 14 June 2017

Present:

Councillor Simon Fawthrop (Chairman)
Councillors Nicholas Bennett J.P., Mary Cooke, Ian Dunn,
Robert Evans, William Huntington-Thresher,
Russell Mellor, Alexa Michael, Keith Onslow (Vice-
Chairman), Michael Rutherford, Stephen Wells and
Angela Wilkins

Also Present:

Councillor Graham Arthur and Councillor Stephen Carr

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

Apologies for absence were received from Councillors David Livett, Tony Owen and Ian F. Payne.

16 DECLARATIONS OF INTEREST

There were no declarations of interest.

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

No questions had been received.

**18 MINUTES OF THE EXECUTIVE AND RESOURCES PDS
COMMITTEE MEETINGS HELD ON 10TH AND 18TH MAY 2017
(EXCLUDING EXEMPT ITEMS)**

The reply to the question submitted by Cllr Ian Dunn at the last meeting was tabled and included in the minutes at Appendix A.

RESOLVED that the minutes of the meetings held on 10th May and 18th May 2017, excluding exempt information, be confirmed.

19 MATTERS ARISING FROM PREVIOUS MEETINGS
Report CSD17091

The Committee received an update on matters arising from previous meetings. The Chairman stated that he would consider the membership of the task and finish Working Group on Revenue Generation with a view to it

starting in September. The Chairman also reminded officers that a report on contract change controls had been requested, which should be considered at the Committee's September meeting.

20 FORWARD PLAN OF KEY DECISIONS

The Committee noted the Forward Plan of Key and Private Decisions published on 5th June 2017.

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

No questions had been received.

22 RESOURCES PORTFOLIO - PRE-DECISION SCRUTINY

The Committee considered the following report where the Resources Portfolio Holder was recommended to take a decision.

a TREASURY MANAGEMENT - ANNUAL REPORT 2016/17 Report FSD17059

The report summarises treasury management activity during the March quarter and includes the Treasury Management Annual Report for 2016/17, which is required to be reported to full Council. The report ensured that the Council was implementing best practice in accordance with the CIPFA Code of Practice for Treasury Management. Investments as at 31st March 2017 totalled £269.9m and there was no external borrowing. The balance of investments stood at £304.5m as at 31st December 2016 and £285.5m as at 31st March 2016 (plus £24.4m of temporary borrowing), and, at 31st May 2017 it stood at £294.9m.

The report proposed changes to the Council's Treasury Management Strategy. The changes were (i) inclusion of a secured loan for a residential development in Beckenham which would help deliver the Council's Housing objectives, (ii) an increase in the limits for pooled investment schemes to £80m, (iii) a reduction in the counterparty rating criteria for Housing Associations to A- and (iv) a temporary increase in the counterparty limit with Lloyds Bank. It was also intended that the Diversified Growth Fund (DGF) assets would be sold and the funds invested in Multi-Asset Income Funds which would provide better income with low volatility.

RESOLVED that the Portfolio Holder and Council be asked to –

- (a) Note the Treasury Management Annual Report for 2016/17;**
- (b) Approve the following changes to the Council's Treasury Management Strategy -**

- (i) Inclusion of a secured loan that helps deliver the Council's housing objectives, as detailed in section 3.5.2 of the report;**
 - (ii) An increase to the limit for pooled investment schemes to £80m as detailed in section 3.5.3;**
 - (iii) A reduction to the counterparty rating criteria for Housing Associations to A- as detailed in section 3.5.4**
 - (iv) A temporary increase in the counterparty limit with Lloyds bank as detailed in section 3.5.5; and**
- (c) Approve the actual prudential indicators within the report.**

23 PRE-DECISION SCRUTINY OF EXECUTIVE REPORTS

The Committee considered the following reports on the part 1 agenda for the meeting of the Executive on 20th June 2017.

(5) Provisional Final Accounts 2016/17 Report FSD17054

A summary of activity on the Recruitment and Retention Fund for Children's Social Care since 2010/11 had been circulated - funding of £817,200 had originally been allocated by the Executive on 2nd February 2010. The fund had been used in 2010/11, but due to underspends elsewhere in the Department it had not been used again until 2016/17. The fund was used for making "golden hello" payments, annual retention payments, permanent placement fees and the market premium. It was now proposed to top up the fund with £495,419 from some of the funding for Tackling Troubled families and Step Up to Social Work grants; it was anticipated that the fund would be used within 2 – 3 years, and consideration needed to be given to future funding. The Chairman commented that the availability of this fund might have an adverse effect on rigorous adherence to budgets in the Department and suggested that the matter be reviewed at the Education, Children and Families Budget and Performance Monitoring Sub-Committee.

It was noted that the overspend in Adults Services was largely due to ambitious savings targets not being realised. A Member raised concerns that unrealistic savings might lead to similar problems as had been identified in Children's Services. The Chairman responded that failings in Children's Services had been down to management, not funding; the Leader agreed that funding had not been a key issue for Children's Services, although some additional funding had been required to produce the significant improvements recognised by Ofsted.

There was a provision for unsettled insurance claims of £1.7m. A Member commented that insurance claims were likely to rise, and the Director of Finance confirmed that this would need to be taken into account in the annual review of the Insurance fund.

A Member commented on the £130k underspend for On-Street Parking. It was explained that there had been some slippage in providing new on-street spaces.

A Member noted that there was a surplus on the Collection Fund, and suggested that this would enable the Council to make a more generous allocation to the Council Tax Support Scheme. The Director of Finance confirmed that collection rates remained high, and the number of properties had increased, but also commented that Government core funding reduction would have reduced by 75% by 2019/20 – some of this government funding reduction related to Council Tax Support. The Council would have to decide, for example, whether Council tax payers should subsidise the Scheme – a report reviewing the Scheme was due in July.

RESOLVED that the recommendations be supported.

(6) Capital Programme Outturn 2016/17
Report FSD17053

The Committee considered a report on the final outturn for capital expenditure and receipts for 2016/17.

RESOLVED that the recommendations be supported.

(8) Release of Government Funding for the Step Up to Social Work Programme

The Executive was recommended to release of ring-fenced funding for cohort 5 of the Step up to Social Work programme, the funding to be released in instalments over two financial years - 2017/18 and 2018/19.

RESOLVED that the recommendations be supported.

(9) Submission of Bromley's Draft Local Plan
Report DRR17/026

Members questioned the need to provide complete paper copies of the report and its appendices to all Members. The Director of Corporate Services accepted their concerns but reminded the Committee that all Members would be asked to make a decision on the Local Plan at the full Council meeting on 26th June, so it was important that they were all provided with the papers.

(12) Hollybank Short Break Provision for Disabled Children and Young People

Members noted a Part 1 summary of the Part 2 report for this item, considering the matter in more detail under Part 2 proceedings.

(13) Contract Award for Transport Services Framework
Report ED18004

Members noted a Part 1 summary of the Part 2 report for this item, considering the matter in more detail under Part 2 proceedings.

24 WORK PROGRAMME
Report CSD17090

The Committee considered its work programme for 2017/18. Members discussed the role and terms of reference of the Contracts Sub-Committee – the Chairman stated that he would consider this further with the Chairman of the Sub-Committee.

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

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

**The following summaries
refer to matters involving exempt information**

26 EXEMPT MINUTES OF THE MEETING HELD ON 18TH MAY 2017

The exempt minutes of the meeting held on 18th May 2017 were confirmed.

27 PRE-DECISION SCRUTINY OF EXEMPT EXECUTIVE REPORTS

Members considered the following reports on the Part 2 agenda for the Executive's meeting on 20th June 2017.

(20) Hollybank Short Break Provision for Disabled Children and Young People

(21) Contract Award for Transport Services Contract

The Meeting ended at 7.56 pm

Chairman