



BROMLEY CIVIC CENTRE, STOCKWELL CLOSE, BROMLEY BRI 3UH

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DATE: 5 November 2018

To: Members of the
**RENEWAL, RECREATION AND HOUSING POLICY DEVELOPMENT AND
SCRUTINY COMMITTEE**

Councillor Michael Rutherford (Chairman)
Councillor Suraj Sharma (Vice-Chairman)
Councillors Yvonne Bear, Julian Benington, Aisha Cuthbert, Josh King, Angela Page
and Gary Stevens

Non-Voting Co-opted Members
Sheldon Allen, Bromley Youth Council

A meeting of the Renewal, Recreation and Housing Policy Development and Scrutiny
Committee will be held at Bromley Civic Centre on **TUESDAY 13 NOVEMBER 2018**
AT 7.00 PM

MARK BOWEN
Director of Corporate Services

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

PART 1 AGENDA

Note for Members: Members are reminded that Officer contact details are shown on each report and Members are welcome to raise questions in advance of the meeting.

STANDARD ITEMS

- 1 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS**
- 2 DECLARATIONS OF INTEREST**

3 QUESTIONS FROM COUNCILLORS AND MEMBERS OF THE PUBLIC ATTENDING THE MEETING

In accordance with the Council's Constitution, questions to this Committee must be received in writing 4 working days before the date of the meeting. Therefore please ensure questions are received by the Democratic Services Team by 5 pm on Wednesday 7 November 2018.

a QUESTIONS FOR THE RENEWAL, RECREATION AND HOUSING PORTFOLIO HOLDER

b QUESTIONS FOR THE CHAIRMAN OF RENEWAL, RECREATION AND HOUSING PDS COMMITTEE

4 MINUTES OF THE RENEWAL, RECREATION AND HOUSING PDS COMMITTEE MEETING HELD ON 18 SEPTEMBER 2018 (Pages 5 - 16)

5 MATTERS ARISING FROM PREVIOUS MINUTES AND UPDATES (Pages 17 - 24)

HOLDING THE RENEWAL, RECREATION AND HOUSING PORTFOLIO HOLDER TO ACCOUNT

6 PRE-DECISION SCRUTINY OF RENEWAL, RECREATION AND HOUSING PORTFOLIO REPORTS

Portfolio Holder decisions for pre-decision scrutiny.

a BUDGET MONITORING 2018/19 (Pages 25 - 34)

b PENGE AND ANERLEY LIBRARY CAPITAL SCHEME POST COMPLETION REPORT (Pages 35 - 42)

POLICY DEVELOPMENT AND OTHER ITEMS

7 PDS PRESENTATION - INTRODUCTION TO THE WORK OF HOUSING

8 BUILDING CONTROL - SERVICE REVIEW (Pages 43 - 50)

9 TOWN CENTRES DEVELOPMENT PROGRAMME UPDATE REPORT (Pages 51 - 56)

10 RENEWAL, RECREATION AND HOUSING PDS COMMITTEE WORK PROGRAMME: JANUARY-MARCH 2019 (Pages 57 - 62)

PART 2 (CLOSED) AGENDA

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

Items of Business

Schedule 12A Description

- | | |
|---|---|
| 12 TENANCY SUPPORT SERVICES FOR HOMELESS PEOPLE (Pages 63 - 70) | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |
| 13 HOUSING S106 PAYMENT IN LIEU CONTRIBUTIONS (Pages 71 - 76) | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |
| 14 UPDATE ON BROMLEY HOMES SPV AND OPTIONS GOING FORWARD FOR FURTHER JOINT VENTURE ARRANGEMENTS (To Follow)

<i>(Report to follow)</i> | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |
| 15 INCREASING HOUSING SUPPLY TO MEET HOUSING NEED THROUGH USE OF BROMLEY OWNED LAND (To Follow)

<i>(Report to follow)</i> | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |
| 16 LEISURE SERVICES LEASE PROPOSAL

<i>(Report to follow)</i> | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |

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RENEWAL, RECREATION AND HOUSING POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

Minutes of the meeting held at 7.00 pm on 18 September 2018

Present:

Councillor Michael Rutherford (Chairman)
Councillor Suraj Sharma (Vice-Chairman)
Councillors Yvonne Bear, Julian Benington, Josh King,
Angela Page and Gary Stevens

Sheldon Allen, Bromley Youth Council

Also Present:

Councillors Hannah Gray, William Huntington-Thresher
and Peter Morgan

25 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

Apologies for absence were received from Councillors Aisha Cuthbert and Dave Wibberley.

26 DECLARATIONS OF INTEREST

Councillor Benington's standard declaration for the Municipal year as a Trustee of the Biggin Hill Memorial Museum was noted.

27 QUESTIONS FROM COUNCILLORS AND MEMBERS OF THE PUBLIC ATTENDING THE MEETING

27a QUESTIONS FOR THE RENEWAL, RECREATION AND HOUSING PORTFOLIO HOLDER

No questions were received.

27b QUESTIONS FOR THE CHAIRMAN OF RENEWAL, RECREATION AND HOUSING PDS COMMITTEE

No questions were received.

28 MINUTES OF THE RENEWAL, RECREATION AND HOUSING PDS COMMITTEE MEETING HELD ON 26 JUNE 2018

RESOLVED that the Minutes of the meeting held on 26 June 2018 be confirmed and signed as a correct record.

29 MATTERS ARISING FROM PREVIOUS MINUTES AND UPDATES

Visiting Member Councillor Hannah Gray gave an update in regard to the provision of Full Fibre broadband.

The first stage of the project involved an examination of the Council owned CCTV trunking network to establish its suitability for carrying full fibre commercial cables and to ascertain its commercial value. The Council had appointed a Consultant, Regional Network Solutions who were looking at existing provision and the potential of the Council owned network from a commercial perspective and whether such an approach could provide full fibre broadband to the majority of Bromley residents and Businesses.

The Director of Regeneration stated that, if timed correctly, the Council could gain a commercial advantage from the emerging market of start-up companies who were looking to expand into the Bromley area. Virgin and BT were looking to upgrade their provision so the Council needed to consider this in addition to the opportunities offered by its own infrastructure.

A further detailed report would be submitted to a future meeting of the Committee on completion of the consultancy work.

Minute 12 – 26.06.18 – Renewal, Recreation and Housing Portfolio Plan

The information requested in regard to economic development relating to footfall in town centres was e-mailed to Members on 11 September 2018.

All actions for matters arising from previous meetings were therefore completed.

RESOLVED to note that all actions arising from previous meetings had been completed.

30 PRE-DECISION SCRUTINY OF RENEWAL, RECREATION AND HOUSING PORTFOLIO REPORTS

30a CAPITAL PROGRAMME MONITORING - 1ST QUARTER 2018/19

Report FSD18072

On 11 July 2018, the Executive received the 1st quarterly capital monitoring report for 2018/19 and agreed a revised Capital Programme for the four year period 2018/19 to 2021/22.

Members considered changes agreed by the Executive in respect of the Capital Programme for the Renewal, Recreation and Housing Portfolio.

Councillor Sharma requested to see a breakdown of the Consultancy Fee Bid for the West Wickham leisure/library development. The Director of Regeneration

informed Members that a report would be considered by the Commissioning Board on 24 September which would then allow for the appointment of the multi-disciplinary consultancy team. The PDS Committee would be in a position to scrutinise the project prior to the submission of the planning application before a final decision was taken by Executive Members.

RESOLVED that the Portfolio Holder be recommended to confirm the changes agreed by the Executive on 11 July 2018.

31 RENEWAL, RECREATION AND HOUSING PORTFOLIO PLAN

Report DRR18/051

Members considered a report which summarised the aims and objectives of the Renewal, Recreation and Housing portfolio for 2018/19. The report also provided an update on progress at the end of the 1st quarter.

The Director of Housing reported that the definition of affordable housing comprised two elements, namely:-

- Intermediate eg: shared ownership, London Living Rent; and
- London affordable rent – rent which was subsidised for people on lower incomes.

The department worked with a range of partners and were currently exploring joint ventures and acquiring sites for development. The York Rise modular site was undergoing a tender evaluation assessment and it was anticipated that approximately 35 units could be provided. The Portfolio Holder for Renewal, Recreation and Housing confirmed several other plots of land were being assessed with joint partners. Various means of acquiring sites were being considered including compulsory purchase orders or buying privately.

A further report would be submitted to the PDS meeting in March 2019.

RESOLVED that the report be noted and Members' comments be provided to the Portfolio Holder.

32 REFERENCE FROM EXECUTIVE, RESOURCES AND CONTRACTS PDS COMMITTEE: BROMLEY PRIVATE SECTOR LEASING SCHEME AND COUNCIL OWNED TEMPORARY ACCOMMODATION MANAGEMENT SERVICES - CONTRACT EXTENSION

Report CSD18142

This report was previously scrutinised by the Executive, Resources and Contracts PDS Committee on 5th September 2018. At that meeting, Members recommended

the Executive delay its decision to allow for scrutiny by the Renewal, Recreation and Housing PDS Committee on 18th September.

In this regard, Members of the RR&H PDS Committee considered Bromley's formal contract for the procurement and management of private sector leased properties and the management of Council owned temporary accommodation (TA) which formed an important part of the Council's temporary accommodation portfolio.

As the contract was due to expire on 31 March 2019, permission was sought for a two year extension, as provided for within the contract itself.

The Executive Director, ECHS provided an overview of the key aspects to be considered by the RR&H PDS Committee, namely:-

- Homelessness Strategy updates;
- Housing Strategy updates including contractual commissioning issues, renewal and KPIs;
- updates on the implementation of new housing; and
- interaction with libraries concerning children in care, care leavers, disabled children and their families and older people.

He requested permission to give a presentation at a future meeting to highlight the work undertaken in regard to housing and to take Members through the Departmental and Portfolio Plan. The Chairman agreed to the request.

The Director of Housing advised Members that Bromley's Housing Strategy was currently in the process of being developed. It was anticipated to be completed by the end of the year.

Referring to recommendation 2.3 on page 67 of the report, it was reported that Orchard and Shipman were contracted to find private landlords and to lease and manage properties on behalf of the Council. Rent was paid by the Council to landlords via Orchard and Shipman. The £1m paid to Orchard and Shipman for the management service was considered to be a very competitive fee.

Mears property purchased scheme now had 365 properties in the pipeline of which 143 were completed and let. By the end of the financial year, approximately 400 units should be available. At the present time, officers were assessing the viability of providing a further 300 units. If this was deemed viable, a report would be submitted for scrutiny by the RR&H PDS Committee.

Of the total number of people currently living in TA, 79% were family groups (primarily single parents aged 20-45 with children). The remaining 21% were single people.

At a time when demand for TA had increased, Members were concerned with the decrease in available property. They were informed that due to the high risks involved with the introduction of benefit capping, housing associations had withdrawn properties and moved on to private renting. The reasons for the increase in demand were attributed to relationship breakdowns, eviction by family and friends or the inability to rent privately.

The Executive Director, ECHS, emphasised the urgent need to increase the supply of TA. Until this was achieved, the Council would be unable to meet its targets.

The Chairman expressed his dissatisfaction that the report had not been scrutinised by the PDS Committee prior to a decision being made. He advised that the decision taken by the Executive was subject to call-in by Members. The Executive Director, ECHS, confirmed that future reports would be scheduled on the Forward Plan to meet the timetable for RR&H PDS meetings.

RESOLVED that the report be noted.

33 PROVISION OF LIBRARY SERVICES - CONTRACT PERFORMANCE REPORT

Report DRR18/043

Members considered an update on the Provision of Library Services contract with Greenwich Leisure Ltd (GLL) over the first six months of operation. The value of the contract over a ten year period was £40,739,536.

The report also provided Members with a review of the performance of the Contractor since the commencement of the contract on 1 November 2017.

The Council's Principal Client Officer reported that the transfer of the Library Service ten months ago had proceeded well. Whilst shadow monitoring had taken place during the first six months of the contract, full monitoring was now being undertaken. GLL had maintained standards and was delivering significant savings to the Council.

Mr Steve Hannen, GLL's Head of Service, attended the meeting. He was satisfied with progress to date and he was pleased to report that the specified Key Performance Indicators (KPIs) were being met. Full library services and programmes were maintained during the recent industrial action and GLL continued to ensure residents were not impacted by this action. An increase in the uptake of library services was noted.

Initially there were some IT difficulties but these were resolved following a complete overhaul and upgrade to the system together with staff training. The majority of subsequent issues were caused by external influences ie. power surges and outages.

The requirements for the Stock Purchasing Plan were being met and Mr Hannen agreed to circulate further details and figures to Members.

Whilst there was a natural ebb and flow in regard to turnover of staff, essential vacancies were given priority.

KPIs were audited via the complaints system and officers visited libraries to check that they were operating properly. Statistical data was also gathered via GLL's management system.

As a result of the Customer Service Survey, GLL had taken the issue of toilet cleanliness very seriously. Spot checks were regularly undertaken and reported back to management. Proposals to provide toilet facilities at Bromley Central Library were being considered.

Members were pleased to note that the transfer of the Library Service had proceeded smoothly.

GLL's ideas for developing and improving services included:-

- refresh painting;
- new furniture;
- investment in children's libraries with the introduction of soft play areas;
- ICT improvements to enhance customer service i.e. self-service equipment and access to e-books;
- targeting non-library users; and
- the introduction of annual regional/national literature events.

In the longer term, GLL would welcome the opportunity to work with other departments within the Council, in particular education and public health sections.

GLL currently worked in partnership with Children's Services, Royal Borough of Greenwich, to provide activities within a library setting and operated an explorer programme specialising in child obesity.

Reading lists were provided for GP's to hand out to patients, giving them the option to visit the library to research their particular conditions.

The Director of Regeneration informed Members that the contract for shared use facilities at the Biggin Hill Library and Leisure Centre was the responsibility of Bromley Mytime; GLL sub-leased the library provision. In regard to the redevelopment of Chislehurst Library, GLL would operate the temporary library in the car park and take over full operation when development was complete. It was anticipated that a planning application for Chislehurst Library would be submitted on completion of the Legal Development Agreement.

The Learning Shop in St Paul's Cray was situated in close proximity to the Library and whilst some services were offered by both establishments, it did not cause any conflict. GLL were in a position to assist in reviewing the service.

Mr Hannen reported that GLL had a good understanding of the need for children with reading difficulties. The provision of more SEN sessions was under consideration to enhance learning through soft play activities and adventure learning programmes. By making game boxes available for use in libraries and hosting competitions followed by a homework club, this may encourage young people to attend.

A supplementary document detailing KPIs for the months of May, June and July was circulated to Members. The Chairman requested that similar information be included in future reports to the Committee.

RESOLVED that the report be noted, in particular, the performance of the service provider in the first six months of the contract.

34 BROMLEY TOWN CENTRE PUBLIC REALM: CANOPIES AND SHOPS UPDATE

Report DRR18/053

Members considered the detailed designs and costing for the remaining elements of the Bromley Town Centre improvements scheme namely, the two commercial units/shops and mirrored canopies.

Approval was sought for an additional £1.615m to be allocated from the Growth Fund to the Bromley High Street Improvement capital scheme, thereby increasing the scheme's overall budget to £5.075m.

It was proposed in the report that approval of any minor amendments to the design of the commercial units/shops and mirrored canopies be delegated to the Director of Regeneration and the Portfolio Holder for Renewal, Recreation and Housing.

Authority was also sought to submit a planning application(s) for the commercial units/shops and the mirrored canopies.

A sample of the polished steel to be used for the mirrored canopies was circulated to Members. The Chairman raised concerns regarding the increased cost of the mirrored canopies. Members questioned the overall cost of the canopies and the cost plan supporting the estimated costings. The Head of Renewal explained the background to the design development of the canopies and how they represented an ambitious and transformational element of the whole improvement scheme and formed an integral part of the design. They were to be the centre piece of the street garden providing a focal point for the commercial units and raised planters, in addition to providing a multi-functional space for activities. It was acknowledged that the cost per square metre for the mirrored canopies was expensive. However, this reflected the bespoke nature of the mirrored canopies design and quality of the

selected materials. The cost plan had been prepared by the Council's TFM Term Contractor and was based on established industry methodology. It was acknowledged that construction costs could be driven down through a competitive tender process.

Whilst acknowledging the design concept would improve the high street, the Chairman could not recommend spending £1.2m on canopies. Members agreed with the Chairman and suggested this part of the design proposal be reconsidered. Members agreed to recommend the Portfolio Holder's suggestion that a maximum budget of £800k should be set for this element of the improvement scheme.

The Committee supported the implementation of the commercial units and recommended that a percentage of the rental income achieved above 8% should be allocated to support the maintenance and enhanced cleaning of the pedestrianised High Street.

In regard to recommendation 2.5 (page 119), a motion to exclude the planning application for the mirrored canopies fell by a vote of 2-3.

RESOLVED that the report be noted and comments be provided to Members of the Executive.

Taking the PDS Members' views into account, the recommendations for the Executive were as follows:-

- 2.2 Approve the detailed design and implementation costs for the two commercial units/shops.**
- 2.3 Approve the addition of £415k to the Bromley High Street Improvement capital scheme funded from the Growth Fund, thereby increasing the overall budget for the scheme to £3.875.**
- 2.4 Delegate to the Director of Regeneration and the Portfolio Holder for Renewal and Recreation approval of any minor amendments to the design of the commercial units/shops.**
- 2.5 Seek authority to submit a planning application(s) for the commercial units/shops and the mirrored canopies.**
- 2.6 Recommend to the Executive that any income above an 8% return from two retail units be ring-fenced for street maintenance and cleansing in Bromley Town Centre.**
- 2.7 Recommend that the detailed design and implementation costs of the two proposed canopies be capped at the original budget figure of £800,000.**

35 TOWN CENTRES DEVELOPMENT PROGRAMME UPDATE REPORT

Report DRR18/052

Members were updated on progress achieved in delivering the Town Centres Development and Growth Programme.

In particular, attention was given to the New Homes Bonus allocation for which funding was set aside to produce a Framework Plan for Orpington town centre to inform decisions about future investment and development.

In regard to this, the Head of Renewal reported that discussions had taken place with Orpington 1st BID and Orpington College about the desire to take forward improvement works. The report at Appendix 1, outlined potential opportunities and work for the future.

Visiting Ward Member Councillor William Huntington-Thresher was concerned with the timescale for achieving objectives, considering the Bid Ballot was completed nine months previously. He emphasised the importance of any redevelopment of Orpington having the desired effect of attracting new multiple mid to high range retailers.

The provision of accommodation in the area to meet housing targets was also a challenge. Various development sites for residential and retail use had been identified in the area and whilst the town would benefit greatly from this, it was also vital to retain the vibrancy of the Town Centre.

Councillor Huntington-Thresher urged the Committee to endorse the recommendations to form the initial work programme for the emerging Framework Plan. He also requested that the necessary next steps to produce a supplementary planning document be undertaken in a more timely fashion.

It was reported that the Berkeley Homes development on the former Police Station site was nearing completion. Whilst Orpington College's lease expired in March 2018, they were still in situ. It was recommended in the report that the Council should engage with the College to understand their position and future space requirements in the town centre.

It was important for the town centre to retain as much retail space as possible in order to maintain a balance between retail and food and beverage use. However, should units remain vacant for a reasonable length of time, then change of use to food and beverage would generally be acceptable.

To assist in moving the plan forward, one Member suggested a Working Party be established to include members from Orpington 1st BID, Orpington College and traders. The Head of Renewal agreed to consider the suggestion.

Councillor Huntington-Thresher emphasised the need for a consultation to ascertain the views of current landlords and to attract developers to provide mixed residential/retail use on identified sites.

The Head of Renewal agreed to circulate a timetable for the Plan going forward.

Consultations were currently taking place on options for the Day Centre (set out on page 157 of the report).

Turning to Site A – Bromley North Station, Members were informed that two separate planning applications had recently been considered and refused by the Planning Committee. The Portfolio Holder for Renewal, Recreation and Housing moved (and Members agreed), that a Masterplan for the site be formulated and the process for development be undertaken as soon as possible.

A Funding Bid for improvements to road safety and pedestrian use in the Shortlands area would need to be submitted by the end of November 2018. Prior to this, a report would be considered by various PDS Committees. The Chairman advised he would discuss this matter with the relevant PDS Chairmen on the best way to scrutinise the report.

RESOLVED that:-

- 1 the progress achieved in delivering the Town Centres Development and Growth Programme be noted;**
 - 2 the findings of the Orpington Town Centre Stage 1 Report be noted and the recommendations arising from the report to form the initial work programme for the emerging Framework Plan be endorsed; and**
 - 3 a Masterplan for Site A – Bromley North Station, be formulated and the process for development of the site be undertaken as soon as possible.**
- 36 RENEWAL, RECREATION AND HOUSING PDS COMMITTEE WORK PROGRAMME (NOVEMBER 2018-MARCH 2019)**

Report CSD18139

Members considered the Renewal, Recreation and Housing PDS Work Programme for the period November 2018 to March 2019.

The following reports were requested for future meetings:-

November 2018

- Site G Masterplan – formal responses and recommendations
- Building Control – Shared Service with Bexley
- Penge Library - Post Capital Completion Report

- Anerley Town Hall – Post Capital Completion Report
- Bromley Mytime – Lease Arrangements

Penge and Beckenham BID Managers to be invited to the meeting.

January 2019

- Homelessness Strategy

March 2019

- Renewal, Recreation and Housing Portfolio Plan

RESOLVED that subject to the addition of reports mentioned above, the Renewal, Recreation and Housing PDS Work Programme for the period November 2018 to March 2019 be noted.

37 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 listed below as it was 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.

38 EXEMPT MINUTES OF THE RENEWAL, RECREATION AND HOUSING PDS COMMITTEE HELD ON 26 JUNE 2018

RESOLVED that the exempt Minutes of the meeting held on 26 June 2018 be confirmed and signed as a correct record.

The meeting ended at 9.30 pm

Chairman

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Report No.
CSD18151

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker: Renewal, Recreation and Housing PDS Committee

Date: 13 November 2018

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

Title: **MATTERS ARISING FROM PREVIOUS MINUTES AND UPDATES**

Contact Officer: Lisa Thornley, Democratic Services Officer
Tel: 020 8461 7566 E-mail: lisa.thornley@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Corporate Services

Ward: N/A

1. Reason for report

1.1 **Appendix A** updates Members on matters arising from previous meetings.

2. RECOMMENDATION

2.1 The Committee is asked to consider progress on matters arising from previous meetings.

Non-Applicable Sections:	Policy, Financial, Legal and Personnel Implications
Background Documents: (Access via Contact Officer)	-

Impact on Vulnerable Adults and Children

1. Summary of Impact: None

Corporate Policy

1. Policy Status: Existing policy. The Committee is regularly updated on matters arising from previous meetings.
 2. BBB Priority: Excellent Council.
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Financial

1. Cost of proposal: No cost
 2. Ongoing costs: N/A.
 3. Budget head/performance centre: Democratic Services
 4. Total current budget for this head: £350,650
 5. Source of funding: 2018/19 revenue budget
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Staff

1. Number of staff (current and additional): There are 8 posts (6.87 fte) in the Democratic Services Team.
 2. If from existing staff resources, number of staff hours: Monitoring the Committee's matters arising can take up to two hours per meeting.
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Legal

1. Legal Requirement: No statutory requirement or Government guidance.
 2. Call-in: Call-in is not applicable. The report does not involve an executive decision
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): The report is intended primarily for Members of this Committee.
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Ward Councillor Views

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

PROGRESS ON MATTERS ARISING FROM PREVIOUS MEETINGS

<u>Minute Number/Title</u>	<u>Updates/Feedback Requested</u>	<u>Action By</u>	<u>Current Status</u>								
Minute 30a – 18.09.18 Capital Programme Monitoring – 1st Quarter 2018/19	A breakdown of the Consultancy Fee Bid for the West Wickham leisure/library development was requested.	Strategic Commissioning Manager	Completed. Information set out below and e-mailed to Members on 19 September 2018.								
<p data-bbox="120 523 293 555"><u>Information</u></p> <p data-bbox="120 596 2063 667">The Council will be utilising a framework that allows the use of the same consultancy organisation that undertook the initial scoping work, which means the Council will benefit from some financial efficiencies.</p> <p data-bbox="120 708 2085 778">The indicative sum of £993k approved by the Executive in March for the next phase of the design work, will take us to RIBA stage 4 and is broken down as follows:-</p> <table data-bbox="120 820 689 963"> <tr> <td>Concept and Design Work:</td> <td>£348k</td> </tr> <tr> <td>Outline Planning Submission:</td> <td>£548k</td> </tr> <tr> <td>Procurement of a Developer:</td> <td>£48k</td> </tr> <tr> <td>Survey Fees:</td> <td>£48k</td> </tr> </table> <p data-bbox="120 1005 2092 1075">We will also be allowing for a Performance Bond at an additional cost of £5k. This is usual practice given the scale of the works to mitigate any risk.</p> <p data-bbox="120 1117 1966 1149">The overall fee bid is estimated to be in the region of 2.8% of the development costs, so as a baseline is exceptionally good value.</p> <p data-bbox="120 1190 2018 1260">Officers have met the consultancy team to satisfy that as far as practicably possible, the costs are fully inclusive of all costs needed to prepare a design that meets the Council's expectations, including the engagement process up to the planning stage.</p>				Concept and Design Work:	£348k	Outline Planning Submission:	£548k	Procurement of a Developer:	£48k	Survey Fees:	£48k
Concept and Design Work:	£348k										
Outline Planning Submission:	£548k										
Procurement of a Developer:	£48k										
Survey Fees:	£48k										

<u>Minute Number/Title</u>	<u>Updates/Feedback Requested</u>	<u>Action By</u>	<u>Current Status</u>
Minute 33 – 18.09.18 Provision of Library Services – Contract Performance Report	Further details and figures regarding the Stock Purchasing Plan to be circulated to members.	GLL's Head of Service	Completed. Information attached and e-mailed to Members on 9 October 2018.

Annual Stock Spend for Bromley Libraries 2012-2018

Year	Copies Ordered				Total	Total Cost				Total
	Books	DVDs	CDs	eBook/eAudio		Books	DVDs	CDs	eBook/eAudio	
2012/13	41,649	1,045	980	671	44,345	£ 235,757.10	£ 14,370.38	£ 7,900.62	£ 8,113.06	£ 266,141.16
2013/14	40,294	1,962	1,316	840	44,412	£ 247,720.41	£ 21,616.07	£ 10,458.79	£ 13,084.66	£ 292,879.93
2014/15	46,612	1,491	1,053	621	49,777	£ 295,740.37	£ 17,957.55	£ 8,244.00	£ 7,962.88	£ 329,904.80
2015/16	41,649	1,339	658	870	44,516	£ 214,139.87	£ 15,790.75	£ 5,012.98	£ 11,816.64	£ 246,760.24
2016/17	40,294	1,149	694	908	43,045	£ 288,670.37	£ 14,423.01	£ 5,776.68	£ 14,752.90	£ 323,622.96
2017/18	46,612	1,220	441	873	49,146	£ 302,397.01	£ 13,848.17	£ 3,577.44	£ 16,637.74	£ 336,460.36
2018/19 (6 months only)	24,394	294	171	863	25,722	£ 151,544.22	£ 4,047.63	£ 1,343.50	£ 15,366.26	£ 172,301.61

Year	Average Cost per Copy			
	Books	DVDs	CDs	eBook/eAudio
2012/13	£ 5.66	£ 13.75	£ 8.06	£ 12.09
2013/14	£ 6.15	£ 11.02	£ 7.95	£ 15.58
2014/15	£ 6.34	£ 12.04	£ 7.83	£ 12.82
2015/16	£ 5.14	£ 11.79	£ 7.62	£ 13.58
2016/17	£ 7.16	£ 12.55	£ 8.32	£ 16.25
2017/18	£ 6.49	£ 11.35	£ 8.11	£ 19.06
2018/19 (6 months only)	£ 6.21	£ 13.77	£ 7.86	£ 17.81

Key:

Service run by LBB
 Transition Year
 Service run by GLL

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Monthly Breakdown of Stock Spend for Bromley Libraries 2017-2018

Year	Month	Copies Ordered				Total	Total Cost				
		Books	DVDs	CDs	eBook/eAudio		Books	DVDs	CDs	eBook/eAudio	Total
2017/18	Apr	4,257	40	27	1	4,325	£ 26,614.46	£ 477.84	£ 225.23	£ 22.15	£ 27,339.68
	May	3,700	129	45	70	3,944	£ 25,201.19	£ 1,654.72	£ 364.03	£ 1,418.23	£ 28,638.17
	Jun	4,350	72	44	73	4,539	£ 27,047.50	£ 936.48	£ 362.12	£ 1,183.43	£ 29,529.53
	Jul	2,964	109	27	38	3,138	£ 19,513.20	£ 1,252.66	£ 233.63	£ 804.14	£ 21,803.63
	Aug	4,192	74	35	58	4,359	£ 36,573.32	£ 860.60	£ 269.80	£ 857.47	£ 38,561.19
	Sep	4,302	90	65	190	4,647	£ 28,862.25	£ 887.71	£ 517.07	£ 2,738.01	£ 33,005.04
	Oct	3,403	74	44	105	3,626	£ 23,034.19	£ 831.53	£ 361.05	£ 2,495.41	£ 26,722.18
	Nov	4,751	184	74	85	5,094	£ 34,634.86	£ 2,261.04	£ 580.74	£ 1,601.20	£ 39,077.84
	Dec	2,419	61	16	5	2,501	£ 17,085.59	£ 820.09	£ 141.15	£ 77.35	£ 18,124.18
	Jan	2,127	53	5	107	2,292	£ 13,844.63	£ 555.50	£ 41.47	£ 1,990.78	£ 16,432.38
	Feb	1,478	120	2	81	1,681	£ 9,584.65	£ 1,238.64	£ 15.01	£ 1,739.24	£ 12,577.54
	Mar	6,116	214	57	60	6,447	£ 40,401.17	£ 2,071.36	£ 466.14	£ 1,111.90	£ 44,050.57
2018/19	Apr	4,266	52	44	18	4,380	£ 26,633.30	£ 765.66	£ 350.45	£ 295.65	£ 28,045.06
	May	4,217	71	27	122	4,437	£ 26,597.28	£ 927.08	£ 199.24	£ 2,181.53	£ 29,905.13
	Jun	3,304	56	24	87	3,471	£ 21,069.82	£ 820.91	£ 180.61	£ 1,182.89	£ 23,254.23
	Jul	2,660	33	19	143	2,855	£ 17,830.35	£ 466.45	£ 147.68	£ 3,272.71	£ 21,717.19
	Aug	6,048	40	22	328	6,438	£ 33,707.77	£ 541.53	£ 178.86	£ 5,615.39	£ 40,043.55
	Sep	3,899	42	35	165	4,141	£ 25,705.70	£ 526.00	£ 286.66	£ 3,275.74	£ 29,794.10

Year	Month	Average Cost per Copy			
		Books	DVDs	CDs	eBook/eAudio
2017/18	Apr	£ 6.25	£ 11.95	£ 8.34	£ 22.15
	May	£ 6.81	£ 12.83	£ 8.09	£ 20.26
	Jun	£ 6.22	£ 13.01	£ 8.23	£ 16.21
	Jul	£ 6.58	£ 11.49	£ 8.65	£ 21.16
	Aug	£ 8.72	£ 11.63	£ 7.71	£ 14.78
	Sep	£ 6.71	£ 9.86	£ 7.95	£ 14.41
	Oct	£ 6.77	£ 11.24	£ 8.21	£ 23.77
	Nov	£ 7.29	£ 12.29	£ 7.85	£ 18.84
	Dec	£ 7.06	£ 13.44	£ 8.82	£ 15.47
	Jan	£ 6.51	£ 10.48	£ 8.29	£ 18.61
	Feb	£ 6.48	£ 10.32	£ 7.51	£ 21.47
	Mar	£ 6.61	£ 9.68	£ 8.18	£ 18.53
2018/19	Apr	£ 6.24	£ 14.72	£ 7.96	£ 16.42
	May	£ 6.31	£ 13.06	£ 7.38	£ 17.88
	Jun	£ 6.38	£ 14.66	£ 7.53	£ 13.60
	Jul	£ 6.70	£ 14.13	£ 7.77	£ 22.89
	Aug	£ 5.57	£ 13.54	£ 8.13	£ 17.12
Sep	£ 6.59	£ 12.52	£ 8.19	£ 19.85	

Key:

Service run by LBB
Service run by GLL

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Report No.
FSD18087

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: Renewal, Recreation & Housing Portfolio Holder

For Pre-decision Scrutiny by the Renewal, Recreation & Housing PDS Committee

Date: 13th November 2018

Decision Type: Non-Urgent Executive Non-Key

Title: **BUDGET MONITORING 2018/19**

Contact Officer: Claire Martin, Head of Finance
Tel: 020 8313 4286 E-mail: claire.martin@bromley.gov.uk

Chief Officer: Nigel Davies, Executive Director of Environment and Community Services
Ade Adetosoye OBE, Deputy Chief Executive & Executive Director

Ward: Borough wide

1. Reason for report

This report provides an update of the latest budget monitoring position for 2018/19 for the Renewal, Recreation and Housing Portfolio based on expenditure and activity levels up to 30 September 2018. This shows a projected under spend of £49k for the total portfolio budget.

2. **RECOMMENDATION(S)**

That the Portfolio Holder is requested to:

- 2.1 To endorse the latest 2018/19 budget projection for the Renewal, Recreation & Housing Portfolio.

Impact on Vulnerable Adults and Children

1. Summary of Impact: None directly from this report.
-

Corporate Policy

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

Financial

1. Cost of proposal: Estimated Cost Not Applicable
 2. Ongoing costs: Non-Recurring Cost
 3. Budget head/performance centre: Renewal, Recreation & Housing Portfolio Budgets
 4. Total current budget for this head: £22.473m
 5. Source of funding: Existing revenue budgets 2018/19
-

Personnel

1. Number of staff (current and additional): 197.7ftes
 2. If from existing staff resources, number of staff hours: N/A
-

Legal

1. Legal Requirement: Statutory Requirement: The statutory duties relating to financial reporting are covered within the Local Government Act 1972; the Local Government Finance Act 1998; the Accounts and Audit Regulations 1996; the Local Government Act 2000 and the Local Government Act 2002
 2. Call-in: Applicable
-

Procurement

1. Summary of Procurement Implications: None directly from this report.
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): The services covered in this report affect all Council Taxpayers, Business Ratepayers, those who owe general income to the Council, all staff, Members and Pensioners.
-

Ward Councillor Views

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

3. COMMENTARY

- 3.1 The 2018/19 projected outturn is detailed in Appendix 1, with a forecast of projected spend for each division compared to the latest approved budget and identifies in full the reason for any variances.
- 3.2 Costs attributable to individual services have been classified as “controllable” and “non-controllable” in Appendix 1. Budget holders have full responsibility for those budgets classified as “controllable” as any variations relate to those factors over which the budget holder has, in general, direct control. “Non-controllable” budgets are those which are managed outside of individual budget holder’s service and, as such, cannot be directly influenced by the budget holder in the shorter term. These include, for example, building maintenance costs and property rents which are managed by the Property Division but are allocated within individual departmental/portfolio budgets to reflect the full cost of the service. As such, any variations arising are shown as “non-controllable” within services but “controllable” within the Resources Portfolio. Other examples include cross departmental recharges and capital financing costs. This approach, which is reflected in financial monitoring reports to budget holders, should ensure clearer accountability by identifying variations within the service that controls financial performance. Members should specifically refer to the “controllable” budget variations relating to portfolios in considering financial performance. These variations will include the costs related to the recession.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 4.1 The 2018/19 budget reflects the financial impact of the Council’s strategies and service plans which impact on all of the Council’s customers and users of our services.

5. POLICY IMPLICATIONS

- 5.1 “The “Building a Better Bromley” objective of being an Excellent Council refers to the Council’s intention to provide efficient services and to have a financial strategy that focuses on stewardship and sustainability. Delivering Value for Money is one of the Corporate Operating Principles supporting Building a Better Bromley.
- 5.2 The “2018/19 Council Tax” report highlighted the financial pressures facing the Council. It remains imperative that strict budgetary control continues to be exercised in 2018/19 to minimise the risk of compounding financial pressures in future years.
- 5.3 Chief Officers and Departmental Heads of Finance are continuing to place emphasis on the need for strict compliance with the Council’s budgetary control and monitoring arrangements.

6. FINANCIAL IMPLICATIONS

- 6.1 The controllable budget for the Renewal, Recreation and Housing Portfolio is expected to under spend by £51k at the year-end, based on the financial information available as at 30 September 2018. This figure excludes the non-controllable variation of Dr £2k.
- 6.2 As requested at the June PDS meeting, the following table summarises the budget variations over the key areas: -

	Variance	
		£'000
Staff Vacancies	Cr	515
Income		295
Consultancy/Specialist Advice		179
Contracts	Cr	56
Temporary Accommodation		1,477
Contingency Drawdown	Cr	1,477
Travellers Sites		61
Other miscellaneous	Cr	15
	Cr	51

Environment & Community Services Department (Cr £15k)

- 6.2 For Building Control and Land Charges, there is a net projected under spend of £86k within the staffing budget due to vacant posts and reduced hours being worked.
- 6.3 There is an overall deficit of income of £94k expected for planning income. This is mainly from non-major planning applications and pre-application meetings. The deficit is partly offset by an under spend of £77k within staffing due to part year vacancies.
- 6.4 Additional costs of £109k have been incurred for the procurement of specialist advice required for planning appeals, where there is no in-house expertise.
- 6.5 Part year vacancies within Renewal have resulted in an under spend of £126k. This is offset by £70k for consultancy and legal fees for the public enquiries following submission of the London Plan.
- 6.6 There is a net over spend of £13k projected for Recreation mainly due to the Mytime contract, as the actual inflation applied was 2.2% higher than the 2% built into the 2018/19 budget. This is offset by underspends elsewhere within the Portfolio.
- 6.7 There are part year vacancies within the Housing Improvement team totalling Cr £12k.

Education, Care & Health Services Department (Cr £36k)

- 6.8 The supporting people budget is expected to underspend by £74k as a result of contact negotiations.
- 6.9 Temporary Accommodation costs are likely to exceed the budget by £1.477m. This is due to a higher than expected increase in clients going to nightly paid accommodation together with an increase in the provision for bad debts for rent income.
- 6.10 An amount of £1.477m will be drawn down from the Central Contingency to meet the extra costs of temporary accommodation and increase in bad debt provision.
- 6.11 Other variations include a £61k net overspend for Travellers sites, offset by a net under spend of £10k within Housing Needs and other minor variations of Cr £13k.

6.12 The table below summarises the main variances within the divisions: -

Summary of Major Variations		£'000
Building Control/Land Charges staffing vacancies	Cr	86
Planning income		94
Vacancies within planning	Cr	77
Specialist advice for planning appeals		109
Vacancies within Renewal team	Cr	126
Potential costs of public enquiry		70
Inflation on Mytime contract		13
Vacancies within Housing Improvement team	Cr	12
Contract negotiation savings within the Supporting People Area	Cr	74
Temporary Accommodation		1,477
Contingency drawdown	Cr	1,477
Travellers Sites		61
Housing Needs	Cr	10
Other variations	Cr	13
	Cr	51

Non-Applicable Sections:	Legal, Procurement and Personnel Implications
Background Documents: (Access via Contact Officer)	2018/19 budget monitoring files within ECS and ECHS Finance sections

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Renewal, Recreation & Housing Budget Monitoring Summary

2017/18 Actuals £'000	Division Service Areas	2018/19 Original Budget £'000	2018/19 Latest Approved £'000	2018/19 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	ENVIRONMENT AND COMMUNITY SERVICES DEPARTMENT							
	Planning							
Cr 7	Building Control	82	82	Cr 1	Cr 83	1	Cr 25	0
Cr 140	Land Charges	Cr 126	Cr 126	Cr 129	Cr 3	2	0	0
764	Planning	736	711	837	126	3	Cr 60	0
850	Renewal	801	956	900	Cr 56	4	0	0
1,467		1,493	1,623	1,607	Cr 16		Cr 85	0
	Recreation							
1,686	Culture	1,786	1,828	1,874	46	5	18	0
5,784	Libraries	5,030	5,030	5,020	Cr 10	6	0	0
219	Town Centre Management & Business Support	189	181	158	Cr 23	7	0	0
7,689		7,005	7,039	7,052	13		18	0
	ECS - Housing							
194	Housing Improvement	203	203	191	Cr 12	8	0	0
194		203	203	191	Cr 12		0	0
9,350	Total Controllable ECS DEPT	8,701	8,865	8,850	Cr 15		Cr 67	0
Cr 814	TOTAL NON CONTROLLABLE	2,542	2,521	2,523	2	9	0	0
2,466	TOTAL EXCLUDED RECHARGES	1,857	1,857	1,857	0		0	0
11,002	Total ECS DEPARTMENT	13,100	13,243	13,230	Cr 13		Cr 67	0
	EDUCATION, CARE & HEALTH SERVICES DEPARTMENT							
	Operational Housing							
913	Supporting People	1,013	1,013	939	Cr 74	10	Cr 74	Cr 94
8,074	Housing Needs	6,241	6,241	7,756	1,515	11	1,582	1,727
0	Housing Needs Drawdown	0	0	Cr 1,477	Cr 1,477	11	Cr 1,597	Cr 995
0	Enabling Activities	Cr 1	Cr 1	Cr 1	0		0	0
Cr 1,838	Housing Benefits	Cr 1,984	Cr 1,984	Cr 1,984	0		0	0
7,149	Total Controllable ECHS DEPT	5,269	5,269	5,233	Cr 36		Cr 89	638
789	TOTAL NON CONTROLLABLE	286	286	286	0		0	0
3,209	TOTAL EXCLUDED RECHARGES	3,675	3,675	3,675	0		0	0
11,147	Total ECHS DEPARTMENT	9,230	9,230	9,194	Cr 36		Cr 89	638
22,149	PORTFOLIO TOTAL	22,330	22,473	22,424	Cr 49		Cr 156	638

Reconciliation of Latest Approved Budget

£'000

Original budget 2018/19

13,943

Transfer of Housing to Renewal, Recreation & Housing Portfolio

8,387

2018/19 Revised Original Budget

22,330

Carry Forward Requests approved from 2017/18

Implementing Welfare Reform Changes - Grant Expenditure		55
Implementing Welfare Reform Changes - Grant Income	Cr	55
Flexible Homeless Grant - Expenditure		83
Flexible Homeless Grant - Income	Cr	83
Fire Safety Grant - Expenditure		44
Fire Safety Grant - Income	Cr	44
Planning Strategy & Projects - Custom Build Grant - Expenditure		30
Planning Strategy & Projects - Custom Build Grant - Income	Cr	30
Asset Recovery Incentivisation Scheme - Expenditure		85
Asset Recovery Incentivisation Scheme - Income	Cr	85
New Homes Bonus		208

Central Contingency Adjustments

Beckenham and Penge BID	Cr	44
National Increase in Planning Fee - Expenditure		240
National Increase in Planning Fee - Income	Cr	240

Other

R&M - Fire Risk Assessments & Cyclical Maintenance	Cr	21
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Latest Approved Budget for 2018/19

22,473

REASONS FOR VARIATIONS

1. Building Control Cr £83k

For the chargeable service, an income deficit of £175k is projected based on actual income for April to September 2018. This is mostly offset by a projected underspend within salaries of £159k arising from reduced hours and part year vacancies. In accordance with Building Account Regulations, the net deficit of around £16k will be drawn down from the earmarked reserve for the Building Control Charging Account. The net balance will therefore reduce from Cr £203k to Cr £187k.

Within the non-chargeable service, there is a projected net underspend of £83k, this is mainly the result of part year vacancies.

2. Land Charges Cr £3k

Land Charges income for April to September 2018 is down on profiled budget by £26k. This is offset by £15k underspend on staffing due to reduced hours. At this stage a net deficit of £11k is projected for 2018/19. If the income continues to drop, officers will have to consider increasing the current charges. In accordance with current Regulations, any deficit or surplus will be drawn down from the earmarked reserve for the Land Charges Charging Account (the net balance will therefore increase from Dr £10k deficit to Dr £21k).

There is a projected underspend of £3k on the non-chargeable salary budget.

3. Planning Dr £126k

There is a net £77k underspend on staffing due to part year vacancies.

Income from non-major planning applications is below budget for the first six months of the year, and a shortfall of around £60k is projected for 2018/19 against a budget of £1,228k. For information, actual income of £567k was received for April to September 2018 compared with £531k in 2017/18.

For major applications, £197k has been received as at 30th September, which is £95k higher than for the same period in 2017/18, however because the timing of this income varies, a balanced budget is projected for major applications at this stage of the year. This budget will be closely monitored over the next few months.

Currently there is projected deficit income of Dr £15k from discharge of planning conditions and Dr £36k from pre-application meetings. This is due to a combination of reduced fees and reduction in the number of major schemes submitted. During the period April to September 2018, the number of major pre-application submitted has dropped from 23 to 17 compared with previous year.

Additional net income of £17k is projected across other income budgets.

There is a net overspend of £109k for the cost of consultancy work for planning appeals mainly relating to developments at Westmoreland Road, St Hugh's Playing field and Maybrey. This includes advice from agricultural, ecological, minerals and waste consultants, where there is no in-house expertise with the necessary knowledge and qualifications. If the judgements are found in favour of the Council, then some of the costs incurred for these appeals may be recovered.

Summary of variations within Planning:	£'000
Underspend on Staffing	Cr 77
Shortfall income from non-major applications	60
Deficit pre-application & discharge of planning condition income	51
Other minor surplus on income	Cr 17
Consultancy cost on major appeals	109
Total variation for Planning	<u>126</u>

4. Renewal Cr £56k

Overall there is a net variation of Cr £56k projected for Renewal. An underspend of £126k on staffing as a result of part year vacancies is being used to offset a potential £70k cost expected for consultancy and legal fees for the public enquiries, following the submission of the London Plan.

5. Culture Dr £46k

Staffing is expected to overspend by £28k mainly due to extra costs incurred for maternity cover. In line with the December 2017 RPIX, 4.2% inflation was applied to the MyTime contract price, 2.2% higher than the 2% inflation built into the 2018/19 budget. This has resulted in a projected overspend of £18k which is being offset by the underspend from within the Planning Service.

6. Libraries Cr £10k

There is a £45k underspend on staffing due to flexible retirement / reduced hours. This is partly offset by £35k overspend across supplies and services budgets as a result of final payments made relating to serving the notice period on terminating the internet and phone lines.

7.Town Centre Management & Business Support Cr £23k

A part year vacancy within the Town Centre Management Team has led to an underspend of £23k being forecast.

8.Housing Improvement Cr £12k

The underspend of £12k relates to part year vacancies within the team.

9.Non-controllable Dr £2k

There is a projected deficit for income of £2k within the property rental income budget. Property division are accountable for these variations.

10. Supporting People Cr £74k

A £74k underspend is currently forecast in the Supporting People area due to contract negotiation savings.

11. Housing Needs Dr £38k

There is currently an overspend of £1,477k in the Temporary Accommodation area. This is due to higher than expected increase in clients going into nightly paid accommodation together with an increase in the provision for bad debts for rent account income that will not be collected.

As additional budget will be requested to be drawdown from contingency later in the financial year to cover this pressure on Temporary Accommodation, the forecast for this is zero.

In addition, by necessity there has been an increased use of non-self-contained accommodation outside of London. Although on the face of it this appears beneficial as the charges are lower, the Housing Benefit Subsidy is capped at the January 2011 Local Housing Allowance (LHA) rates, thus often making these placements more costly than those in London, especially when moving and furniture costs are factored in.

The properties owned by LBB and used for placing temporary accommodation clients is currently expected to underspend by £13k.

The Travellers budget is overspending by £61k and this is due to one of the sites experiencing high use of utilities (overspend of £48k) due to the site not having meters and loss of income (overspend of £23k) due to particular residents rent arrears. This is being offset by a £10k underspend on the staffing due to staff vacancies earlier in the year.

The remaining £10k underspend is various staffing and running costs variations. Housing are currently finalising their new staffing structure that is required to meet the new housing legislation. The funding required will be requested for drawdown later in the year.

Summary of overall variations within Housing:	£'000
Temporary Accommodation	1,477
Contingency Drawdown	Cr 1,477
Travellers Sites	61
Housing Needs	Cr 10
LBB Properties	Cr 13
Total variation for Housing	<u>38</u>

Waiver of Financial Regulations:

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempt from the normal requirement to obtain competitive quotations the Chief Officer has to obtain the agreement of the Director of Corporate Services, the Director of Finance and the Director of Commissioning and (where over £100,000) approval of the Portfolio Holder and report use of this exemption to Audit Sub committee bi-annually. Since the last report to the Executive, no waiver has been actioned.

Virements Approved to date under Director's Delegated Powers

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" will be included in financial monitoring reports to the Portfolio Holder. Since the last report to Executive, no virement has been actioned.

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Report No.
DRR18/054

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: RENEWAL, RECREATION AND HOUSING PDS COMMITTEE

Date: Tuesday 13 November 2018

Decision Type: Non-Urgent Executive Non-Key

Title: Penge and Anerley Library Capital Scheme Post Completion Report

Contact Officer: Tim Woolgar, Principal Client, Libraries
Tel: 020 8461 7232 E-mail: tim.woolgar@bromley.gov.uk

Chief Officer: Colin Brand, Director of Regeneration

Ward: Crystal Palace, Penge and Cator, Clock House

1. Reason for report

- 1.1 As part of the Capital Programme Procedures it is a requirement that schemes should be formally reviewed within one year of completion and the outcome of this review be brought to the Portfolio Holder for endorsement.
-

2. **RECOMMENDATION(S)**

- 2.1 That the Portfolio Holder endorses the findings of the Post Completion Review that has been carried out in respect of Penge & Anerley Libraries.

Corporate Policy

1. Policy Status: 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, we review our main aims and outcomes through the AMP process and identify those that require the use of capital assets. Our 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: N/A
 2. Ongoing costs: N/A
 3. Budget head/performance centre: Capital Programme
 4. Total current budget for this head: £673k
 5. Source of funding: Capital Receipts
-

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
 2. Call-in: Non application
-

Customer Impact

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

Ward Councillor Views

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

3. COMMENTARY

3.1 The Capital Programme Procedures require that a post completion review be carried out within 12 months of the completion of schemes that are included within the programme. This process is designed to determine the Authority's performance in the following key area;

- Were the original scheme objectives achieved?
- Were the scheme costs contained within the original budget?
- Did the scheme complete on time?
- What was the level of customer satisfaction from the end user with the overall process?

3.2 The information set out in the appendices shows the above information for Anerley Library and Penge Library, 46 Green Lane.

3.3 The scheme completed below budget, and the original contract programme was met. A full analysis of the project is contained within the appendix. On 11th July 2018, the Executive approved the deletion of £37k residual balance (£1k on Penge / Anerley Libraries scheme and £36k on Anerley Library Provision scheme).

4. POLICY IMPLICATIONS

4.1 One of the main aims of the Council's Asset Management Plan is to ensure that all the partners in the asset management planning processes are fully consulted on the process and its outcomes. Progression of amalgamating the former Anerley/Penge Libraries and providing improved Library facilities at 46 Green Lane contributes to the Building a Better Bromley to promote vibrant thriving town centres.

5. FINANCIAL IMPLICATIONS

5.1 This report provides information on a Post Completion Review that has been carried out in respect of Penge/Anerley Libraries. The total budget for the two schemes based on the estimated cost was £710k. £689k was approved by Executive on 6th February 2013 for Penge / Anerley Libraries, and on 22nd July 2014, Members approved £41k for the purchase and installation of Libraries hardware at Anerley Town Hall.

5.2 On 2 April 2014 Executive increased the Penge/Anerley Library scheme estimate by £29k following the award of works contract. Subsequently, on the 11 February 2015, Executive agreed to reduce the budget by £49k to £669k.

5.3 £13k of the cost for the purchase and installation of Libraries hardware at Anerley was met by the Penge / Anerley Libraries scheme. In total, £673k was spent on the two schemes. Following the completion of the schemes, the residual balance of £37k was deleted which was reported to Executive on 11th July 2018.

5.4 The table below summarises the financial outturn position of the scheme.

	£'000
Capital Estimate	
Penge/Anerley Libraries	689
Anerley - Library Provision	<u>41</u>
	730
Budget increase 1.4.14	29
Budget reduction 11.2.15	<u>-49</u>
	710
Final scheme costs	
Penge/Anerley Libraries	668
Anerley - Library Provision	<u>5</u>
	673
Balance (already removed)	<u><u>-37</u></u>

6. CONSULTATION

6.1 Ward member's views? Consultation with clients, end users, etc?

Full public consultation including exit surveys at both libraries took place in June/July 2012 to gauge reactions to the possibility of merging Penge and Anerley Libraries at a new location. Affected staff were also consulted regarding the proposed merger and move.

Non-Applicable Sections:	Legal, Personnel & Procurement Implications, Impact on Vulnerable Adults and Children
Background Documents: (Access via Contact Officer)	DRR14/071 Anerley Town Hall – Library Provision report to Executive 22 July 2014 DRR13/00102-Penge & Anerley Libraries-46 Green Lane. Part 2 report to Executive 6 th February 2013.

APPENDIX 1

Penge Library - 46 Green Lane and Library provision at Anerley Town Hall

Scheme Details

1. The scheme objective was to create a new modern Library with significantly upgraded facilities for the residents of Penge and Anerley at the 46 Green Lane site by merging existing library provision. This new library replaced the library buildings at Anerley Town Hall and Penge Maple Road sites. Following the merger of Penge and Anerley Libraries the scheme at Anerley Town Hall offered some replacement Library provision. This took the form of an automated locker allowing customers to collect pre-ordered books via self-service and to return items. This was installed along with 7 computers for public use providing internet access. In order to raise awareness of their installation, the replacement library facilities received extensive promotion. A marketing strategy was produced in partnership with Crystal Palace Development Trust to ensure that equalities groups within the Anerley Library catchment area were targeted to make them aware of the new facilities which were DDA compliant. A number of marketing tools were used including promotion on both CPCDT and Bromley Libraries websites. The new service was also posted on the Libraries social media including Facebook and Twitter. Additionally letters and posters were sent to schools, Children's Centres and Community Groups previously served by Anerley Library. Additionally drop-in IT sessions were arranged in conjunction with CPCDT to promote the services as widely as possible.

Scheme History

2. In February 2005 a review of the Library Service was commissioned which included the requirement to consider fitness for purpose, location and scope of current library buildings. It was proposed to replace both the existing Penge Library and Anerley Library with one library. The main driver for doing this was to transform facilities to significantly improve services, as the current facilities were inadequate, not DDA compliant and had limited scope to make improvements on the existing sites.

The review was reported to the Local Economy Portfolio Holder in October 2006 and included the recommendation to relocate and merge Anerley and Penge Libraries. When a suitable location was identified and secured at Green Lane, Penge in 2013 it was possible to bring the Council's long term plan to fruition. Transforming libraries at other sites had had a powerful effect on increased usage and uptake of the facilities as demonstrated by the successful opening of Biggin Hill in 2010 and Orpington Library in 2011. The Orpington development also saw the Library relocate from its original location with immediate impact. On 9th August 2014 both the existing Penge Library located in Maple Road and the existing Anerley Library located to the rear of Anerley Town Hall closed to the public. The new Library at 46 Green Lane Penge opened on 26th August 2014.

3. In response to comments received from existing Library users at Anerley during consultation, the Council agreed to test the need for some continued, limited library provision at the Anerley Town Hall site. The Crystal Palace Community Development Trust (CPCDT) agreed to host the Library facilities which consisted of
 - Bibliotheca Smart Locker
 - 7 Peoples Network computers.

The Library facilities were installed at Anerley Town Hall in June 2015.

Despite targeted promotion in the local Community only 14 items were borrowed from the locker in the first 12 months of operation. In contrast usage of the new Penge Library rapidly increased with a 23.7% increase of items borrowed in the first year compared to the two libraries combined in the previous year. This indicated that Anerley Library users had in fact transferred to the new, improved facilities at Green Lane.

The table below provides the details of the capital budget and spend: -

	Original Estimate £'000	Latest Estimate £'000	Actuals £'000	Variation £'000
Contract works	390.0	336.0	356.2	20.2
Library fit-out costs	203.0	162.0	151.4	-10.6
Smart lockers at Anerley Town H	41.0	41.0	18.0	-23.0
Other costs	36.0	109.0	126.1	17.1
Surveys & statutory costs	32.0	28.0	7.5	-20.5
Consultancy fees	18.0	30.0	10.1	-19.9
LBB project management fees	10.0	4.0	3.7	-0.3
	730.0	710.0	673.0	-37.0
deletion of residual budget	0.0	-37.0	0.0	37.0
	730.0	673.0	673.0	0.0

Running Costs

4. The ongoing revenue costs relate to the following areas at Penge Library

- Rent
- Utilities

At Anerley Town Hall

- MFD Printer hire.
- Excel Courier
- Smart Locker annual maintenance costs
- CPCDT admin costs

The running costs of the scheme reduced in 2017 when the facilities were removed from Anerley Town Hall

Scheme Objectives

5. The objectives of the scheme were

- To significantly upgrade the Library offer for the residents of Penge and Anerley by providing a modern state of the art library building at the Green Lane site in Penge with increased floor space and extended opening hours to replace the inadequate buildings at the Anerley Town Hall and Penge, Maple Road, sites.
- To provide considerably improved Library facilities for the wider community offering community space, additional computers, and a wider selection of stock.

- To provide fully accessible fit for purpose Library facilities which are open for longer, fully accessible and DDA compliant as both old libraries were not fully accessible to disabled visitors.
- To improve Council facilities for local residents and businesses to enable them to pay their Council Tax and Business Rates in cash at the library Self Service Kiosk via provision of the My Community facility. It had been demonstrated that there was a demand for this service in the Penge area.
- To test the need for continued library provision at the former Anerley Library site. An automated locker enabling customers to collect pre-ordered books via self-service and to return items was installed at the Town Hall site with 7 computers for public use providing internet access and MS Office applications. This was comparable with the IT offer at the old Anerley Library.

Assessment of Scheme Success

6. The following scheme objectives were achieved

- A fully accessible locally run library offer was introduced in Anerley Town Hall following the closure of Anerley Library and the relocation of Library services in the area to the new Penge Library. This enabled customers to borrow reserved items and return items. 7 computers were installed for public use
- A new, modern Penge Library located at Green Lane opened in August 2014. Fully accessible to all with considerably improved facilities, the new library offers extended opening hours and is now open 43.5 hours each week, Monday-Saturday, to meet the needs of the Community including half day opening on Wednesday.
- The new Penge Library has improved the service across the areas of reader development, learning and information, computer access including Wi-Fi, through improved stock, improved facilities and an increase in the amount of events and activities.
- The new Penge Library has succeeded in becoming a community hub and has demonstrated significantly increased footfall with immediate effect. There was a surge of new members following the opening of the new Library. There were 9,552 visitors in September 2014, the first full month of opening, an increase of 32.57% on the same period the previous year. Visits for Quarter 3, October – December 2014, showed a 33.1% increase on the same period. The number of new Library members joining in the first month increased by 233.3%.
- Book issues in the first month were 17% higher than the total combined issues of the old Anerley and Penge libraries at the same point the previous year bucking the downward trend of issues across the rest of the Library Service. Nearly 69% of issues in September 2014 were made using the new self-service kiosks.
- Following the initial surge in items borrowed after the opening in August 2014, usage has been maintained at above the pre-merger levels as demonstrated in the table below.

Items borrowed

	Penge	Anerley	Combined
2013-14	29,874	28,467	58,341
2014-15	55,135	8,354	63,489
2015-16	66,076	-	66,076
2016-17	60,219	-	60,219
2017-18	62,501	-	62,501

- Regular activities for children take place at Penge Library including Chatterbooks, Stay and Play, Baby Bounce and Rhyme, Crafty Saturdays and Lego Club. Additionally the library hosts regular visits from schools and nurseries and offers additional promotional events e.g. World Book Day author events. In the first six months since the new library opened they hosted 75 children's events and 15 school visits. Attendance continues to be high with 580 children attending a library activity in the last six months.
- The Library offer for adults includes regular Computer Club sessions, Coffee Mornings, and both a daytime and evening reading group. Other activities which benefit the community include the Living Well dementia group and the English as second language (ESL) coffee morning.
- The My Community payment system for Council Tax provides a valued service to the local community and has been consistently well used since the date of installation. In the last year approximately £197,000 of Council Tax revenue has been paid in cash into the self-service kiosk despite the emphasis on the convenience of online payment as the Council's preferred payment option.
- Satisfaction levels have been demonstrated to be consistently high since the Library opened in 2014. Results from a 2015 CIPFA Public Library Users Survey for adults showed that 93% of users rated the library as very good/good. Results from the 2017 Children's PLUS Survey showed that 98% rated the library as very good/good. Additionally visitor figures demonstrate that the majority of users of the two libraries which the new library replaced are using the new Library. Many new people have become members of the new library, an increased number of people have attended events and the number of issues has increased demonstrating overall satisfaction with the new library.
- In view of the very high levels of usage of the new Penge library combined with the minimal use of the facilities provided at Anerley Town Hall, it was decided in conjunction with the Crystal Palace Community Development Trust to remove the equipment from Anerley Town Hall at the beginning of 2017. Postcode analysis of users of the new Penge library shows that in the months since February 2018 just under a quarter of them live in the Anerley, Crystal Palace and Norwood areas (i.e. nearer to Anerley Town Hall than Green Lane).

Assessment of Contract Efficiency

7. Contract period: 13 weeks
Start Date: 06.05.14
Practical Completion: 14.08.14
Over-run: 2 weeks

Outstanding Issues and Their Proposed Resolution

8. There are no outstanding issues.

Report No.
DR18/1057

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: EXECUTIVE

For pre decision scrutiny by the Renewal, Recreation and Housing Policy, Development and Scrutiny Committee on 13 November 2018

Date: 28 November 2018

Decision Type: Non Urgent Executive Non-Key

Title: BUILDING CONTROL – SERVICE REVIEW

Contact Officer: Alicia Munday, Strategic Commissioning Manager
Tel: 020 8313 4559 E-mail: Alicia.Munday@bromley.gov.uk

Chief Officer: Colin Brand, Director of Regeneration

Ward: (All Wards);

1. Reason for report

- 1.1 This report seeks permission from the Executive to review the current Building Control Service.
- 1.2 As part of the agreed Gateway process for determining the method that offers best value and quality for delivering Services (in accordance with the Council's Corporate Operating principles), this report provides a high level options appraisal of the Building Control service.

2. RECOMMENDATION(S)

The Renewal, Recreation and Housing PDS Committee are asked to note and comment on the content of this report, prior to the Executive being asked to:

- 2.1 approve that officers review the Building Control service, as set out in para 5, which includes consideration of a shared service with the LB Bexley.

Corporate Policy

1. Policy Status: Existing Policy: Further Details
 2. BBB Priority: Excellent Council Supporting Independence:
-

Financial

1. Cost of proposal : Not known at this time
 2. Ongoing costs: £81.5k
 3. Budget head/performance centre: Building Control
 4. Total current budget for this head: £81.5k
 5. Source of funding: Existing controllable revenue budget 2018/19
-

Staff

1. Number of staff (current and additional): 15.4 ftes
 2. If from existing staff resources, number of staff hours:
-

Legal

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

Customer Impact

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

Ward Councillor Views

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

3. COMMENTARY

- 3.1. Under the Building Act 1984, Local authorities have a duty to make provision for Building Controlled activities. Building Control is a service, which encompasses a legal requirement with which owners, builders and designers are obliged to comply with the Building Regulations in respect of building works. However it is important to recognise that there are many other significant service provisions which also form part of the overall Building Control service. Whilst residents must comply with Building Control, they do not have to utilise Council Building Control services in the same way they have to utilise the Local Authority planning department. Residents, developers and business may use private organisations that provide Building Control services.
- 3.2 The Building Regulations (Local Authority Charges) 2010, introduced a new flexible charging regime. The prescribed building regulation functions and advice relating to those factors for which charges should be levied as specified in the Charges Regulations 2010 are as follows: -
- Checking full plans applications
 - Inspecting work associated with full plans applications
 - Checking/inspecting work associated with building notices
 - Checking/inspecting work reverting to Local Authority control
 - Checking/inspecting work associated with regularisation applications
- 3.3 Building Regulation Charges should relate to the costs of carrying out the Building Regulations Chargeable Service (BRCS) (i.e. the chargeable functions and chargeable advice described above). However, there are other significant non-chargeable services which also form part of the Building Control service. The regulations allow Authorities to isolate those costs which are attributable to the chargeable service from the other Building Control functions.
- 3.4 The overarching principles under the Building Regulations 2010 are full cost recovery and that users only pay for the service they receive. For this reason the Building Control services are required to be split into Chargeable and Non Chargeable costs.
- 3.5 The Chartered Institute of Public Finance & Accountancy (CIPFA) has issued formal guidance to Local Authorities on how to account for Building Control expenditure and at the end of each year authorities are required to produce a financial statement for the building regulation chargeable and non-chargeable account.

Service Challenges

- 3.6 The Building Control service within Bromley faces a number of challenges. Seven of the fifteen posts are vacant and the Head of Building Control post is currently being filled by a secondment arrangement with London Borough of Bexley.
- 3.7 . Activity volumes are down which has resulted in a shortfall of income being received for the last few years and projected for the current year. This has created further pressure on the limited Building Control resources, which has resulted in more customers utilising other services, and a spiralling effect on staff time and resources. Building Control has suffered from the impact of an ageing workforce in many Local authorities as the budgetary pressures have continued to impact on training and development programmes
- 3.8 There is a national shortage of qualified Building Control surveyors, which has been exacerbated by the increase in building activity, particularly in and around London.
- 3.9 As a consequence of this, the Council has been significantly limited in its ability to provide an out of hours Building Control service. Whilst there is no statutory requirement to provide an

out of hours service, it is a reputational risk to the Council in not being able to respond to potential emergencies, and putting undue pressure on emergency services that may have to respond in the Council's absence.

- 3.10 Given the current staffing position, there is an urgent need to review the service with a view to modernise the service using better technology and to undertake a review of the fees and charges. Officers are seeking approval to review this service, as set out below.
- 3.11 The interim secondment of the Head of Building Control from the LB Bexley on a part time basis providing the service with the managerial expertise required during the service review period. Bexley have also agreed to support Bromley with an out of hour's service during this period.
- 3.12 The approach outlined in para 3.11 is in effect a stop gap measure to allow officers time to look at all of the options available in order to meet the Council's statutory duty to provide a Building Control service.

4. **OPTIONS APPRAISAL**

The key options that could be considered include:

- 4.1 *Option 1 – Undertake a review of the service with the intention of continuing an improved internal service*
 - 4.1.1. The current staffing structure is not fit for purpose; there are insufficient resources to meet current demand, which is compounded by the national and local shortage of Building Control staff, as well as the age profile of the existing workforce.
 - 4.1.2. Currently the shortage of income is being offset by the under spend in staffing as a result of the large number of vacancies; this is not a sustainable delivery model in order for the Council to meet its obligations to deliver its statutory responsibilities which reflect the non-fee earning elements of the service. There has been insufficient investment made in the service in relation to agile working, and insufficient use of technology, which is likely to present even more challenges in the future in terms of sustainability. This option will be considered as part of the service review; however this could result in significant costs which may be able to be funded from the surplus held in the earmarked reserve.
- 4.2. *Option 2 - Stop providing Building Control Services*
 - 4.2.1. Whilst the Council could discharge its function for regulated Building Control to a third party, the Council has a statutory duty to provide the non-fee earning elements of the service. There are also likely to be recommendations from the Hackett Review, (following the Grenfell tragedy) that will require a far greater involvement of Local Authority Building Control departments in the near future. This option is therefore being discounted.
- 4.3. *Option 3 – Commission Building Control Services*
 - 4.3.1. The Building (Local Authorities Charging) Regulations 2010 prohibit a Local Authority or a contracting provider to make profit on the chargeable services within Building Control. Charges can only be based on actual costs. This option is therefore not likely to attract external providers. In addition, as highlighted in Options 1 and 2, Building Control also provides a number of non-chargeable activities, such as advice for internal services within the Council, enforcement notices et al.
 - 4.3.2. The current service is also under achieving on income, and not sustainable from a resource perspective. It is therefore important that the service is streamlined prior to any future

consideration for commissioning to ensure it is fit for purpose, and that any real savings that could potentially be achieved by the Council are identified. Given the Council's financial position it is also important that consideration is given to protecting income streams and as such, this option at this stage, is also being discounted.

4.4. *Option 4- Enter into a Shared Service with another Local Authority*

- 4.4.1. The proposals around shared services have at their heart the principle that by combining services across the two boroughs, there is a better prospect to reduce management costs and other overheads, in a manner which retains the delivery of the frontline service. Bromley and Bexley have existing and have successfully shared services, including libraries and parking services. Given the close proximity and the current financial position of both Local Authorities the option of a shared service should be considered, in addition to the review of the service.
- 4.4.2. There are several stand-alone activities within the Building Control service that could operate on a shared basis, such as the out of hour's operation. Bromley officers typically attend circa 15-20 call outs per annum, given the unlikelihood of 2 emergencies occurring in both Boroughs simultaneously, it makes sense for the two Councils to share this resource. There are also likely to be managerial efficiencies achieved through a shared service such as a joint Head of Building Control post.

5. **PREFERRED OPTIONS**

5.1 Given the information set out in Section 4 above, it is recommended that a full review of the service (Option 1) is carried out which includes the potential to operate a Shared Service Model (Option 4). This would include updating and improving the service by using better technology. When considering the shared service option, the following areas will be examined:

- shared service staffing structure
- costs for delivering a shared service
- IT and line of business applications for a shared service
- fees and charging within a shared service
- benefits and risks of a shared service
- staff and stakeholder feedback
- governance arrangements

6. **STAKEHOLDER ENGAGEMENT**

6.1 There has been staff engagement with the Building Control teams at both Bromley and Bexley, as well as engagement with staff representatives for both boroughs about the recommendation to review the service, which would include the option of exploring a shared service delivery model.

7. **POLICY IMPLICATIONS**

7.1 The recommendation to review the service, and in particular a shared service model, is in line with the Council's Corporate Operating Principles, which include a commitment that services will be provided by whoever is best placed to deliver services, and offer value for money.

8. FINANCIAL IMPLICATIONS

8.1 The current Building Control service is split into chargeable and non-chargeable services. The latest budget monitoring position is shown below: -

	Chargeable Service			Non-Chargeable Service		
	Budget	Projected Outturn	Variation	Budget	Projected Outturn	Variation
	£'000	£'000	£'000	£'000	£'000	£'000
Expenditure						
Employee costs	552.9	393.9	-159.0	236.7	153.7	-83.0
Running costs	77.5	77.5	0.0	14.4	14.4	0.0
Contribution to reserve	0.0	186.7	186.7	0.0	0.0	0.0
	630.4	658.1	27.7	251.1	168.1	-83.0
Income						
Fees & charges	-797.3	-622.3	175.0	-2.7	-2.7	0.0
Contribution to reserve	0.0	-202.7	-202.7	0.0	0.0	0.0
	-797.3	-825.0	-27.7	-2.7	-2.7	0.0
Total controllable budget	-166.9	-166.9	0.0	248.4	165.4	-83.0
Non-controllable recharges						
Recharges & insurance	166.9	166.9	0.0	72.2	72.2	0.0
Recharges out	0.0	0.0	0.0	-109.3	-109.3	0.0
Total non-controllable recharges	166.9	166.9	0.0	-37.1	-37.1	0.0
Net Expenditure	0.0	0.0	0.0	211.3	128.3	-83.0

8.2 The financial implications of the outcome of the review of the service (5.1) will be reported back to Members following the review.

9. LEGAL IMPLICATIONS

9.1 Building control services are provided under the Building Act 1984 and Regulations made under the Act. There are various models available to structure shared service arrangements between two or more authorities and detailed legal consideration will need to be given to each. There are enabling powers under sections 101, 111 and 113 of the Local Government Act 1972. There are also powers available under section 19 of the Local government Act 2000 and the power of competence under section 1 of the Localism Act 2011.

9.2 In looking at the options and depending on any further recommendations, consideration will be given to staffing issues in particular staff terms and conditions, TUPE, and staff consultation requirements under section 113 of the Local Government Act 1972. Consideration also needs to be given to the Councils best value duty arising under section 3 of the Local Government Act 1999 and also the need to carry out appropriate consultation. Consideration should also be given to community right to challenge under section 81 of the Localism Act 2011 and the public sector equality duty arising under section 149 of the Equalities Act 2010.

10. PERSONNEL IMPLICATIONS

10.1 To date there has been informal consultation with staff, managers and staff representatives about the review of the service. Any comments received on this report from staff and their representatives will be verbally reported to members at the meeting. In the event that the option to explore a shared service model is agreed, and as more detailed proposals are developed these will be the subject of formal consultation with staff, trade unions and departmental representatives in line with the Council's procedures for managing change.

Non-Applicable Sections:	[List non-applicable sections here]
Background Documents: (Access via Contact Officer)	

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Agenda Item 9

Report No.
DRR18/1062

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: RENEWAL, RECREATION AND HOUSING PDS COMMITTEE

Date: 13 November 2018

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

Title: TOWN CENTRES DEVELOPMENT PROGRAMME UPDATE

Contact Officer: Kevin Munnelly, Head of Renewal
Tel: 020 8313 4519 E-mail: kevin.munnelly@bromley.gov.uk

Chief Officer: Nigel Davies, Executive Director of Environment & Community Services

Ward: All Wards

1. Reason for report

1.1 To update Members on progress in delivering the Town Centres Development and Growth Programme.

2. RECOMMENDATION(S)

2.1 That Members note the progress on the delivery of the Town Centres Development and Growth Programme.

Corporate Policy

1. Policy Status: Existing Policy: Bromley Town Area Action Plan
 2. BBB Priority: Vibrant, Thriving Town Centres:
-

Financial

1. Cost of proposal: N/A
 2. Ongoing costs: N/A:
 3. Budget head/performance centre: Renewal budget, Capital Programme and S106 Funding
 4. Total current budget for this head: £34.847m
 5. Source of funding: Town Centre Development Fund, Growth Fund, Investment Fund, S106 resources, NHB/GLA High Street funding, Capital Financing and TfL funding
-

Staff

1. Number of staff (current and additional): 4
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Non-Statutory - Government Guidance:
 2. Call-in: Applicable:
-

Customer Impact

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

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Yes
2. Summary of Ward Councillor's comments: Officers hold regular update meetings with Ward Councillors.

3. COMMENTARY

Development Programme

- 3.1 As agreed at R&R PDS on 1 April 2014 this report provides updates for only those individual projects where progress has been made.

Site G: West of the High Street

- 3.2 The Executive on 17th July 2017 approved the detailed terms of the development agreement and lease for the development and on 11th December 2017, Full Council approved an allocation to the capital programme for the purpose of acquiring properties within the red line area. The Council's development team continue to liaise directly with property owners within the development site to exercise the Council's Duty of Care to residents directly impacted by the proposed redevelopment. Progress continues to be made on the site acquisitions and relocations and an additional two residential properties in Ethelbert Close have recently been purchased. Negotiation with the remaining land owners are ongoing. In support of a potential compulsory purchase order inquiry the Council has appointed solicitors, Bevan Britten LLP to the development team to provide specialist legal support in the preparation of CPO documentation.
- 3.3 In accordance with the terms of the development agreement Countryside Properties submitted the planning application for their scheme and this application is currently under consideration by the Council's Development Management team. The results of the Masterplan consultation are also still being reviewed and the formal responses and recommendations will be reported back to the relevant committees for consideration.

Bromley Town Centre High Street Public Realm Improvements

- 3.4 Phase 2 works have commenced between south of the library towards Elmfield Road junction. The former planters have been removed and new lighting columns and a substantial area of new granite paving has been laid. The first of the seven bloom petal shaped planters is programmed to be installed by the end of November. The market has now been relocated to the northern section of the High Street and feedback from the market team is that it is settling in well. The design team are finalising the integration of Hostile Vehicle Mitigation measures into the current design of the Elmfield Road Junction. This element along with the whole of the Ethelbert Road junction and remaining granite footways and planters will be completed by the end of March 2019.
- 3.5 Following the Executive approval on 17th October 2018 officers are progressing the procurement of the two Commercial units/shops. The first stage is to secure planning permission and the design team are currently preparing the necessary documentation. The design team are also examining design and delivery options for the mirrored canopies given the revised budget of £800k agreed by the Executive. Details of any revisions will be brought back to the R,R & H PDS for consideration. Planning permission for the market kiosks are shortly to be submitted.

Beckenham Town Centre Public Realm Improvements

- 3.6 The improvement works to Beckenham High Street have been substantially completed and the High Street has been returned to two way running and all bus diversion have been cancelled and normal service routing recommenced. New architectural building lighting and the application of a resin bonded surfacing to Beckenham Green market area and the Odeon forecourt will be completed by the end of November. There remain a series of additional works involving the installation of granite planters at Kelsey Square and Village

Way and a feature Odeon bench which will be undertaken in the new Year along with any outstanding snagging works to be agreed with the Term Contractor.

- 3.7 Following the successful application to the Mayor's Crowdfund London 2018 programme the Copes Cope Residents Association have been pledged £25,000 by the Mayor towards their overall target. This funding will be used to create 'community commons' in the heart of the town by providing shared resources for a range of community groups to access. Using the new improved Beckenham Green area the funding will activate the space with local people and groups hosting events and take increasing ownership of a public green space. The first of these Community Commons event is due to take place on the Green on 1st December 2018 and it is also proposed to have a formal celebration of the scheme at this event with TfL representatives, Portfolio Holder and Ward Councillors in attendance.
- 3.8 Beckenham High Street has also been reported as being one of London's top 10 Healthiest High Streets in the recent report released by the Royal Society for Public Health based on their impact on the public's health and wellbeing.

Orpington Town Centre

- 3.9 The improvements works are progressing and all improvement works will be completed before the end of November barring the Sainsbury arm, which will be completed before the end of February 2019, following the Christmas works break.

Penge Town Centre Improvements

- 3.10 The footpath works to Penge High Street were completed at the end of October and the traffic improvements to the Croydon Road/Green Lane junction are expected to be completed by the end of November 2018 subject to the completion of resurfacing works by the term contractor.
- 3.11 As part of the shop front improvement programme, the design proposals for the shopfronts have now been submitted to planning. You & Me architecture are currently in the process of engaging their contractors to implement the programme of works. To avoid the Christmas period, it is anticipated that the construction programme will now likely begin in January 2018 with a 3 month target of completion.

4. POLICY IMPLICATIONS

- 4.1 Work delivering the Town Centres Development Programme is entirely consistent with Policy Objectives set out in Building A Better Bromley and the Renewal & Recreation Portfolio Business Plan 2017/18. The work of the Renewal team links to the Building a Better Bromley priorities by working towards the provision of Vibrant and Thriving Town Centres.

5. FINANCIAL IMPLICATIONS

- 5.1 On 11th of December 2017, Full Council approved a net increase of £18.4m resulting in a revised capital estimate of £24.292m for the Site G development programme. To date £1.469m has been spent/committed on the acquisition of properties in Ethelbert Close leaving a balance of £22.822m.
- 5.2 Within the £24.292m was a sum of £1.1m allocated for specialist development consultancy for CPO related costs inclusive of all professional fees, legal and development consultancy and internal management costs. This sum includes the £200k previously allocated from the growth fund. To date £114k has been spent/committed, leaving a balance of £986k.

5.3 The table below summarises the financial position for each Town Centre Development project. It shows individual budgets, funding streams, spend and commitments and the remaining balances, including the split between capital and revenue expenditure: -

	Budget	Spend	Com'tmts	Total	Balance
Capital	£'000	£'000	£'000	£'000	£'000
<u>Site G</u>					
Properties w ithin red line development site - capital financing	20,932.0	0.0	0.0	0.0	20,932.0
Grow th Fund - Specialist legal & development advice	1,100.0	91.5	22.8	114.3	985.7
Grow th Fund	1,800.0	995.9	0.0	995.9	804.1
Private Developer contribution	100.0	0.0	0.0	0.0	100.0
S106 PIL	359.6	359.6	0.0	359.6	0.0
	24,291.6	1,447.0	22.8	1,469.8	22,821.8
<u>Beckenham Improvement Scheme *</u>					
TfL Funding	2,896.0	2,621.9	14.6	2,636.5	259.5
TfL Funding - LIP allocation re Southend Rd/Rectory Rd	200.0	200.0	0.0	200.0	0.0
Capital receipts	995.0	0.0	0.0	0.0	995.0
Earmarked Reserve balance for Beckenham Improvements	150.0	0.0	0.0	0.0	150.0
Principal Road Maintenance TFL allocation (Subject to approval)	200.0	0.0	0.0	0.0	200.0
	4,441.0	2,821.9	14.6	2,836.5	1,604.5
<u>New Homes Bonus and High Street Funded Projects</u>					
Penge Tow n Centre Improvements	746.0	135.1	0.0	135.1	610.9
Orpington Tow n Centre	525.0	498.8	0.0	498.8	26.2
	1,271.0	633.9	0.0	633.9	637.1
<u>Orpington Tow n Centre</u>					
S106 funding tow ards Walnuts Shopping Centre area	269.0	189.9	0.0	189.9	79.1
	269.0	189.9	0.0	189.9	79.1
<u>Bromley Tow n Centre Public Realm Scheme</u>					
S106 funding - Tow n Centre contributions*	152.0	0.0	0.0	0.0	152.0
Grow th Fund (may be replaced by S106 from Langley Court funding w hen available)	3,308.0	776.5	50.2	826.7	2,481.3
	3,460.0	776.5	50.2	826.7	2,633.3
Total Capital	33,732.6	5,869.2	87.6	5,956.8	27,775.8
Revenue					
<u>New Homes Bonus and High Street Funded Projects</u>					
Penge Tow n Centre Improvements	200.0	107.5	16.0	123.5	76.5
Orpington Tow n Centre	100.0	81.4	14.5	95.9	4.1
Biggin Hill Aviation Technology & Enterprise Centre	150.0	132.2	8.7	140.9	9.1
Cray Business Corridor	150.0	115.4	9.3	124.7	25.3
	600.0	436.5	48.5	485.0	115.0
<u>Bromley Tow n Centre High Street redevelopment programme</u>					
Investment Fund - Initial feasibility cost of development program	118.0	80.8	0.0	80.8	37.2
Investment Fund - Detailed design cost & survey w ork	287.0	204.7	33.7	238.4	48.6
Broadband Infrastructure Investment project	64.7	64.7	0.0	64.7	0.0
S106 Funding for street furniture refurbishments	45.0	21.8	21.8	43.6	1.4
Sub-total High Street Redevelopment	514.7	372.0	55.5	427.5	87.2
Total Revenue	1,114.7	808.5	104.0	912.5	202.2
Total Funding - Capital and Revenue	34,847.3	6,677.7	191.6	6,869.3	27,978.0

- 5.4 On 7th November 2017, the Executive approved the further appointment of Montagu Evans to provide development advice on the site acquisition and compulsory purchase order making process.
- 5.5 It should be noted that the £21k of S106 funding allocated for street furniture refurbishments within Bromley Town Centre, (from the Ringers Rd and St Marks Square Developments), has now been spent with a committed balance of £24k from the Ringers Road development (agreement 331).

Non-Applicable Sections:	Legal and Personnel Implications
Background Documents: (Access via Contact Officer)	NA

Report No.
CSD18152

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker: Renewal, Recreation and Housing PDS Committee

Date: 13 November 2018

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

Title: **RENEWAL, RECREATION AND HOUSING PDS COMMITTEE
WORK PROGRAMME: JANUARY-MARCH 2019**

Contact Officer: Lisa Thornley, Democratic Services Officer
Tel: 020 8461 7566 E-mail: lisa.thornley@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Corporate Services

Ward: N/A

1. Reason for report

1.1 This report updates the Committee's work programme.

2. RECOMMENDATION

2.1 The Committee is invited to review its work programme for the period January-March 2019.

Corporate Policy

1. Policy Status: Existing policy. PDS Committees are encouraged to review their work programmes.
 2. BBB Priority: Excellent Council.
-

Financial

1. Cost of proposal: No cost
 2. Ongoing costs: N/A.
 3. Budget head/performance centre: Democratic Services
 4. Total current budget for this head: £350,650
 5. Source of funding: Existing 2018/19 revenue budget
-

Staff

1. Number of staff (current and additional): There are 8 posts (6.87 fte) in the Democratic Services Team.
 2. If from existing staff resources, number of staff hours: Preparation of the Work Programme report can normally be expected to take 2-3 hours
-

Legal

1. Legal Requirement: No statutory requirement or Government guidance.
 2. Call-in: Not applicable. PDS Report.
-

Customer Impact

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

Ward Councillor Views

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

3. COMMENTARY

- 3.1 Each PDS Committee has a responsibility to develop and review its work programme balancing the key roles of:
- Holding the Executive to account;
 - Policy development and review; and
 - External scrutiny.
- 3.2 The Committee is invited to consider its work programme having regard to guidance at Section 8 of the Scrutiny Toolkit and in consultation with the Renewal, Recreation and Housing Portfolio Holder and Chief/Senior Officers.
- 3.3 The Committee's Work Programme for the period January-March 2019 is attached at **Appendix A**.

Non-Applicable Sections:	Policy/Financial/Legal/Personnel
Background Documents: (Access via Contact Officer)	Previous Work Programme reports.

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Report Title	Report Author	PH Decision (Yes/No)
Renewal, Recreation and Housing Policy Development and Scrutiny Committee – 22 January 2019		
Matters Arising from Previous Meetings	LT	No
Draft Budget 2019/20	CM	No
Capital Programme Monitoring - 2 nd Quarter 2018/19	JM	Yes
Contracts Register	CB	No
Homelessness Strategy	LC	No
Town Centres Development Programme Update	KM	No
Work Programme	LT	No
<u>Exempt Reports</u>		
Contracts Register – Part 2	M S-C	No
Renewal, Recreation and Housing Policy Development and Scrutiny Committee – 6 March 2019		
Matters Arising from Previous Meetings	LT	No
Work Programme	LT	No
Budget Monitoring	CM	Yes
Contracts Register	??	Yes/No
Expenditure on Consultants	P Gibbs	No
Annual Renewal, Recreation and Housing Portfolio Plan	M S-C	No
Review of Libraries and GLL (including fact-based KPIs)	TW	No
Town Centres Development Programme Update	KM	No
Planning Performance and Planning Enforcement	JK/JS	No
Chairman's Annual Report	Chairman	No

To be arranged

Penge High Street Report
Report on Orpington Regeneration Strategy

Chipperfield Road
Banbury House Report – SB

Provision of Full Fibre Broadband - Update
Traveller Sites – SB

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