

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

Minutes of the special meeting held at 7.00 pm on 30 July 2019

Present:

Councillor Simon Fawthrop (Chairman)

Councillors Gareth Allatt, Julian Benington, Mary Cooke,
Ian Dunn, Nicky Dykes, Will Harmer, Christine Harris,
Keith Onslow, Michael Rutherford, Kieran Terry,
Michael Tickner, Stephen Wells and Angela Wilkins

Also Present:

Councillor Graham Arthur

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

Apologies for absence were received from Councillors Christopher Marlow, David Cartwright and Robert Evans; Councillors Christine Harris, Keith Onslow and Kieran Terry attended as substitutes.

38 DECLARATIONS OF INTEREST

Councillor Stephen Wells declared an interest in item 5 on the Executive's agenda - Empty Homes Premium - as the owner of an empty property in the borough.

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

No questions had been received.

40 PRE-DECISION SCRUTINY OF EXECUTIVE REPORTS

The Committee considered the following reports on the Part 1 agenda for the meeting of the Executive on 2nd August 2019:

(4) COUNCIL TAX SUPPORT/REDUCTION SCHEME 2020/21
Report FSD19068

The Committee considered a report seeking a decision on the Authority's recommended Council Tax Support/Reduction scheme to be included in the annual public consultation exercise.

Members considered that, in view of the financial pressures on the Council, increasing the level of contributions from claimants occupying larger

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properties should be considered. It was confirmed that some authorities did do this. Additional information would be circulated before the Executive's meeting.

RESOLVED:

(1) That the Executive be recommended to agree that the Council Tax Support/Reduction (CTS) be forwarded for public consultation based on 75% liability for working-age claimants; all other elements of the scheme remain unchanged, subject to annual benefit uprating, legislative changes to the Council Tax Support/Reduction scheme and maintaining alignment with the Housing Benefit scheme.

(2) That the Executive be recommended to consult on requiring higher contributions (100%) from working age claimants in larger properties above band E.

**(5) EMPTY HOMES PREMIUM
Report FSD19063**

The Committee considered a proposal that a public consultation exercise be undertaken recommending that the Empty Homes Premium be introduced from April 2020.

A Member queried the amount (£59k) given in paragraph 5.1 of the report for additional collection costs. The Head of Revenues and Benefits explained that this was more than just sending out additional invoices and agreed to circulate a breakdown of these costs.

The Director of Housing explained that the Council had a number of initiatives to deal with empty properties, including offering grants and advice (including on insurance for landlords with tenants on benefits) and matching landlords to letting agencies. There was an empty property team and a rolling programme of contacting owners of properties that were empty for a long period (usually more than six months.) In addition, the Council could take enforcement action in the form of management orders or compulsory purchase orders. A Member asked whether the Council could offer incentives and top-ups of housing benefit to encourage private landlords to take on tenants on benefits - the Director of Housing confirmed that this could be done, but the Council's policy was to find more effective ways to help than providing on-going large top-ups.

The Committee proposed that the Council should apply the maximum premiums, although it was noted that the 300% extra for properties empty for more than ten years could only be applied from 2021/22 onwards, so a decision was not required for another year.

Additional information would be circulated before the Executive's meeting on the potential additional income from applying the premium, the linking of empty periods and the additional collection costs of £59k.

RESOLVED: That the Executive be recommended to agree that:

- 1. A public consultation exercise be undertaken on the introduction of the Empty Homes Premium;**
- 2. The Authority recommends in the consultation document that the maximum “Premium” be introduced from the financial year 2020/21 at the rate of 100% for properties empty longer than 2 years, increasing to 200% where the property has been empty for 5 years.**

(Councillor Stephen Wells requested that his abstention be recorded as he had declared an interest in this item.)

**(6) AWARD OF CONTRACT: PROVISION OF HOUSING IN BURNT ASH LANE
Report DRR19/044a**

The Committee considered a report setting out recommendations for the approval of a capital scheme for the design and construction of up to 25 residential units in a car park behind Burnt Ash Lane, off of Brindley Way, Bromley. In addition the report sought approval to utilise the LHC, NH2 Framework for a direct contract award permitted under the Framework.

Councillor Gareth Allatt reported that the ward councillors had been consulted on the proposals, and were in support of the scheme as it would alleviate housing pressures and provide enhancements for the site. They had drawn attention to the recycling facilities currently on the site, and the loss of parking, but were reassured that some public parking would remain and the effect on footfall for local shops would be mitigated by more people living nearby. There had been problems with anti-social behaviour in the car park, but the proposals included CCTV and landscaping.

A member asked whether the property assets would appreciate in value. It was expected that they would, although it was unlikely that the Council would need to dispose of them.

A slightly updated version of recommendation 2.2 (resolution 1 below) was tabled.

RESOLVED: That the Executive be recommended to:

- 1. Request that Council approve the addition of £3,786k to the Capital Programme funded from Section 106 contributions (£500k) and the Investment Fund earmarked reserve (£3,286k) for the provision of Affordable Housing, in line with the Local Plan, National Planning Policy Frameworks/Section 106 agreements in the form of up to 25**

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**residential units for temporary accommodation on the site known as
Burnt Ash Lane car park;**

- 2. Approve a direct contract award to Lesko Modular Housing, using the LHC, HN2 Framework, for a design and build of housing at the site, as set out in the report;**
- 3. Approve the concept design for the proposed scheme subject to planning permission and public consultation;**
- 4. Agree that officers apply for planning permission based on the proposed design; and**
- 5. Approve the appropriation of land at the site known as Burnt Ash Lane Car Park from its current purpose to the purpose of housing land held under the general fund in accordance with section 122 of the Local Government Act 1972.**

**(7) 0-19 PUBLIC HEALTH NURSING
Report ECHS19074**

The Committee considered a report setting out options for the future of the Health Visiting and School Nursing service in terms of funding and commissioning options. Both the 0-4 years Health Visiting Service incorporating Family Nurse Partnership (HV) and the Health Support to Schools (HSS) contracts were due to expire at the end of September 2020. The HV contract was held by Public Health, funded through the Public Health grant at £3,288k per annum. The HSS contract was currently held by the Bromley Clinical Commissioning Group (CCG), funded through Public Health reserves at £603k per annum. In November 2018, the Executive agreed to fund this contract to September 2020 to align it with the expiry of the HV contract and commission a combined 0-19 service. A small contract for Primary screening (vision screening and national child measurement programme in primary schools) was also due to expire at the end of September 2020. This contract was held by Public Health, funded through the Public Health grant at £165k per annum. It was proposed to also include this contract in the 0-19 Public Health Nursing contract from 1st October 2020.

A Member pointed out that Bromley currently had the lowest spend per head in London at £11, while the long term funding for the service was unclear. The Chairman stated that a further report to members would be needed to consider funding issues. Officers confirmed that a full needs assessment had been carried out in 2016 to establish the level of service. Another Member commented that the service needed to keep a particular watch over pupil referral units.

RESOLVED: The Executive be recommended to agree to tender a new 0-19 Public Health Nursing Service from 1st October 202 for a period of 5

years plus an optional 2 year extension at an estimated cost of £4 million per annum.

**(8) AWARD OF CONTRACT FOR EXCHEQUER SERVICES
Report FSD19073**

The Committee considered the Part 1 (Public) report which accompanied the Part 2 report on the agenda recommending that the Council award a contract for the provision of Exchequer Services.

RESOLVED: That the Executive be recommended to award the Exchequer Services Contract, as detailed in the accompanying Part 2 report, for a contract period of 8 years, with the option to extend for a further 4 years (based on a 2 plus 2 option).

41 SCRUTINY OF PROPERTY TRANSACTIONS

The Head of Asset and Investment Management apologised to the Committee that his report was not yet available as the time needed to analyse the data and check it with Finance had been under-estimated. The report would be ready for the next meeting in September. He did outline that the Council's property assets were valued at £458m, produced income of £10.7m pa and investment returns of £7.9m pa.

Councillor Gareth Allatt had seen a draft of the report, and raised a number of issues for inclusion in the final version -

- Valuations. External auditors had queried the basis of valuation; it was explained that Cushman and Wakefield had not initially carried out valuations based on the latest guidelines (from November 2018). This had been rectified and the differences in outcomes were minimal. It was confirmed that site visits/visual inspections had been carried out.
- Small parcels of highway land. These were not included in the valuation required for the statutory accounts but had been valued separately at £40m to give Members an overall picture.
- Lease documentation. Leases were stored in the Legal Deeds Room, but Cushman and Wakefield held electronic copies of all documents. Signing in/out procedures were in place for the paper documents.
- Rent arrears and aged debtor reports. There was considerable interaction with Liberata to ensure that rent arrears were followed up.
- Tenancies voiding on expiry/lease breaks. A simple format was needed to show forthcoming tenancies voiding.

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- Expected rental values. It was confirmed that regional trends were analysed by Cushman and Wakefield in plotting expected rental values.
- Property Schedules. Schedules needed to show tenant names (it was useful to know whether they were local or well-known national organisations) and separate tabs were needed identifying types of assets - i.e. toilets, Metropolitan Open Land, car parks etc. empty properties needed to be easily identified.

Other Members added further comments -

- The report should identify surplus properties that should be sold.
- The service level agreement with Cushman and Wakefield should be examined to ensure that the contract was being adhered to and the Council was not losing money due to rent increases not being implemented. The Chairman stated that Cushman and Wakefield should attend the committee the next time that the Amey contract was scrutinised.

The Head of Asset and Investment Management confirmed that the report had been requested in May. There had not been any delay with Cushman and Wakefield providing the information. He explained that they had inherited the Council's database but, although the lease records were good the information had not previously been required in the format requested by the Committee.

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

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

The following summaries refer to matters involving exempt information

43 PRE-DECISION SCRUTINY OF EXEMPT EXECUTIVE REPORTS

The Committee considered the following reports on the Part 2 agenda for the meeting of the Executive on 2nd August 2019:

**(10) AWARD OF EXCHEQUER SERVICES CONTRACT
Report FSD19074**

The Committee considered the report and made recommendations to the Executive.

**(11) LEASE OF THE PLAYING FIELD AT THE WIDMORE CENTRE TO
THE SECRETARY OF STATE FOR HOUSING COMMUNITIES AND
LOCAL GOVERNMENT
Report ECHS19075**

The Committee considered the report and made recommendations to the Executive.

**(12) AWARD OF CONTRACT: PROVISION OF HOUSING IN BURNT ASH
LANE
Report DRR19/044b**

The Committee considered the report and made recommendations to the Executive.

The Meeting ended at 9.06 pm

Chairman