

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

Minutes of the meeting held at 7.00 pm on 18 July 2013

**Present:**

Councillor Eric Bosshard (Chairman)  
Councillors Nicholas Bennett J.P., William Huntington-  
Thresher, Russell Mellor (Vice-Chairman), Nick Milner,  
Tom Papworth, Ellie Harmer, Peter Fookes,  
David Hastings, Tony Owen, Neil Reddin FCCA,  
Pauline Tunnicliffe, Will Harmer and Kate Lymer

**Also Present:**

Councillor Graham Arthur, Councillor Robert Evans and  
Councillor Richard Scoates

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

Apologies for absence were received from Councillor Brian Humphrys.  
Councillor Tom Papworth apologised for having to leave early.

**345 DECLARATIONS OF INTEREST**

There were no declarations of interest at the start of the meeting.

During consideration of the report on 116-118 Anerley Park (Minute 352A),  
Councillors William Huntington-Thresher and Nicholas Bennett declared  
interests as members of the Affinity Sutton London Regional Scrutiny Board.

During consideration of the report on Manorfields, Avalon Road, Orpington,  
Cllr Pauline Tunnicliffe declared an interest as she knew one of the Directors  
of one of the bidders.

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

No questions had been received.

**347 MINUTES OF THE EXECUTIVE AND RESOURCES PDS  
COMMITTEE MEETING HELD ON 5th JUNE 2013 (EXCLUDING  
EXEMPT ITEMS)**

**RESOLVED** that the minutes of the meeting held on 5<sup>th</sup> June 2013  
(excluding exempt information) be confirmed.

**348            MATTERS ARISING FROM PREVIOUS MEETINGS**  
Report RES13115

The Committee received an update on matters arising from previous meetings and raised the following matters.

Minute 317 (Publication of Internal Audit Reports): Councillor Nicholas Bennett asked whether there was any case-law on publication of Internal Audit reports and expressed the view that Bromley should be more transparent and open in making these reports available. The results of an informal survey of other authorities, mainly in London, was attached to the report which showed that although some did not publish any information about Internal Audit reports, many were more transparent than Bromley and published summaries of limited/no assurance reports in committee reports. One authority, LB Newham, published limited/no assurance reports in full in committee reports. Councillor Bennett also commented that the House of Commons Public Accounts Committee published extensive information in its reports, and that publication would not necessarily reveal opportunities for other potential fraudsters, as gaps in the Council's procedures would have already been addressed. Officers advised that it was indeed essential to ensure that potential gaps were closed down before information was published, and that there was also a concern not to have an adverse impact on confidence in the Council amongst both residents and other organisations and businesses.

Minute 336 (Provisional Final Accounts): Councillor Tony Owen asked whether there had been sufficient progress on assets held for sale. Officers responded that a number of properties had been sold in recent months.

**349            FORWARD PLAN OF PRIVATE AND KEY DECISIONS**

The Committee received the latest version of the Forward Plan of Private and Key Decisions. It was noted that the report due on Anerley Town Hall would now be submitted to the Executive's meeting on 11<sup>th</sup> September.

**350            CONTRACTS REGISTER**

The Committee received extracts from the corporate Contracts Register showing (A) Resources Portfolio contracts above £50k, and (B) all contracts above £200k.

Councillor Tony Owen questioned why some contracts were subject to CPI. Officers explained that these were mainly contracts made under framework arrangements where Bromley was not the lead organisation or older contracts. A review of these older contracts had been carried out about two years previously.

Cllr Owen asked about the extended Mobile Phone contract with 02 (UK) Ltd – the Government Procurement Service e-auction had been delayed, but

officers reported that it was still worth waiting for the new framework to be in place, which was now expected to be in November 2013.

Cllr Owen also asked for further details about the Microsoft Enterprise Agreement – this would be supplied by email.

### **351 QUESTIONS TO THE PORTFOLIO HOLDER FROM MEMBERS OF THE PUBLIC AND COUNCILLORS ATTENDING THE MEETING**

One question for written reply had been received from Councillor John Getgood and three questions for oral reply had been received from the Royston Estate Residents Association. The questions and answers are set out in the appendix to these minutes.

### **352 RESOURCES PORTFOLIO - PRE-DECISION SCRUTINY**

The Committee considered the following report for pre-decision scrutiny where the Resources Portfolio Holder was minded to take a decision.

#### **352.1 116-118 Anerley Park, Penge** Report DRR13/094

116 and 118 Anerley Park had already been declared surplus to Council requirements in 2007, but due to the pressure on accommodation had remained in hostel use, run by Affinity Sutton, until June 2013. They were now considered to be unsuitable for hostel use and had been handed back to the Council.

Members questioned whether the Council might not get a better outcome by converting them into two large four or five bedroom units, but the greatest need was now for two bedroom units, partly as a result of the benefits changes. They also suggested that the estimated capital receipt of £700,000 appeared to be too low, even for properties in a dilapidated condition.

Officers confirmed that a number of options for different uses had been examined, but the layout of the properties with split levels meant that they would be difficult and costly to adapt. They would also require considerable improvement beyond basic cosmetic works which alone would cost in the region of £50,000. Affinity Sutton's responsibility had been to maintain the properties and keep them in a state of basic good repair.

It was proposed to sell the properties via an estate agent, as in view of the type of prospective purchaser it would be helpful for officers to be able to accept an offer quickly rather than have to await the next PDS Committee meeting. Members suggested that an auction would achieve a quick sale, but officers were of the view that this would result in a lower sale price.

Members also commented that the report stated that ward Members had not been consulted; officers clarified that ward Members had been consulted and apologised that the report was incorrect.

During consideration of this report Councillors William Huntington-Thresher and Nicholas Bennett declared interests as members of the Affinity Sutton London Regional Scrutiny Board.

**RESOLVED that the recommendation that authority to accept an offer or offers on these properties be delegated to the Director of Regeneration and Transformation in consultation with the Resources Portfolio Holder to enable the sale to be progressed quickly be supported.**

### **353 SCRUTINY SESSION - THE RESOURCES PORTFOLIO HOLDER**

Councillor Graham Arthur, Portfolio Holder for Resources, attended the meeting to update the Committee on his work and answer questions. He summarised the following issues –

- Only 99 members of staff were still resisting the move to local pay and conditions, and appeal hearings were now taking place.
- The annual accounts for 2012/13 had now been completed before the deadline, despite more complicated requirements being introduced, and Tracey Pearson and her team were to be congratulated for this.
- Key meetings were taking place to scrutinise baseline expenditure.
- The recent Finance Seminar on 16<sup>th</sup> July had been very useful, underlining the importance of policy development, and the Director of Finance had issued a series of briefings on current finance and benefits issues.
- It was still too early to assess the impact of the introduction of the benefit cap. Housing staff were carrying out face-to face interviews with the people involved.
- Commissioning assessments were being carried out on ten service areas – it was important to ensure that services were streamlined and efficient before they were outsourced.
- £15m had been spent on property from the new investment fund – this was now achieving returns of 6%. An in-depth analysis of the Council's property requirements was being carried out so that any surplus sites could be released.
- All aspects of the Council's expenditure were being examined – for example, the Council was using 38% less paper than a year ago.

- The Coalition Government's policies meant that the Council would be rewarded for creating new jobs and businesses and reducing unemployment.
- Action was being taken in partnership with Liberata on empty homes.
- Action against Single Person Discount Fraud had now raised £800,000.
- The projected overspend for 2013/14 shown in the Budget monitoring report on the Executive's current agenda showed that it was crucial to maintain financial discipline.

Councillor Arthur took questions from the Committee and made the following points in response –

- Reserves would not be used to support overspends. The current concerns were a shortfall on property investment income and an overspend in Care Services. He had spoken at length with the Director of Education, Care and Health Services who had clear ideas for the medium and longer terms, but there were still concerns about what could be done in the short term. The situation would require more stringent gatekeeping, close examination of existing care packages and working with health service partners.
- The current estimate was that the Chancellors' statement in June would mean a reduction in grant for Bromley in the region of £17m, but better figures would be available in September/October.
- Funding for building maintenance had reduced considerably, but the Council was compiling asset registers and selling surplus property. All assets were being monitored.
- In terms of making services efficient and ready for the market, Assistant Directors were showing initiative and enthusiasm. Having looked at LB Barnet and their outsourcing programme, he was convinced that Bromley's real resource was its staff, who were already delivering services with the lowest cost per head in London. He confirmed that Peopletoo were still involved.

Councillor Arthur offered to provide a written summary of progress so far with the commissioning programme. He confirmed that Education sold services was now at the third stage, report to the Board, before being reported to Members for decision.

**354 PRE-DECISION SCRUTINY OF EXECUTIVE REPORTS**

The Committee considered the following reports on the agenda for the meeting of the Executive on 24<sup>th</sup> July 2013.

**(5) London Highways Alliance Contract**

Report ES13073

The report summarised the results of a tender exercise for the London Highways Alliance Contract (LoHAC) - the South London LoHAC contract had been awarded to Enterprise Mouchel. Councillor William Huntington-Thresher confirmed that the proposals had been supported by the Environment PDS Committee.

**RESOLVED that the recommendations be supported.**

**(6) Update on the Implementation of the Flooding and Water Act 2010**

Report 13072

The report provided an update on the Council's second year of operation as a Lead Local Flood Authority and asked the Executive to release £220,000 from Central Contingency to implement proposals to meet responsibilities under the Act.

**RESOLVED that the recommendations be supported.**

**(7) Budget Monitoring 2013/14**

Report RES13138

The Committee received the first budget monitoring report for 2013/14 based on expenditure and activity levels up to the end of May 2013. It was noted that a net overspend was currently projected.

A range of management actions were being taken to address the budget pressures in Assessment and Care Management. One of these was ensuring that where clients had continuing healthcare needs those costs were met in full by the Clinical Commissioning Group (CCG). Members questioned whether this implied that this had not been examined before; officers confirmed that there was Guidance that could be followed and with closer relationships between care and health services the Council could expect to be more successful in ensuring that the CCG accepted its share of the costs.

A Member asked about the Extra Care Housing voids that were contributing to an overspend of £284k. These were due to the time taken to fill the new schemes at Regency and Sutherland Courts, and to higher average care package costs than anticipated in the financial model (14 hours per week rather than 10 hours.) The level of care being provided was being reviewed by officers, and it was expected that the voids would reduce to two by September. The needs of clients always determined their placements, but Extra Care Housing was considerably cheaper than Nursing or Residential

Care, so it was important that clients were directed there if this addressed their needs. There were also concerns about delays in implementing the invest to save proposals for services for clients with physical disabilities and about the overspend in the Community Equipment Service – action had been taken to reduce the number of authorising officers to just five.

Housing needs was showing a projected overspend of £970,000 with Bed and Breakfast Placements increasing at a rate of about 15 per month, rather than the stable 6 a month seen during most of 2012/13. This was partly due to the impact of welfare reform, and officers were investigating the causes. It was estimated that about 40% of new clients were as a result of evictions from private sector accommodation. Members requested further data on the reasons behind the increasing levels of homelessness.

Members noted that income from the Glades during 2013/14 was unlikely to be above the minimum rent share; it was confirmed that there were still a large number of vacancies.

The Fixed Penalty Notice littering offence trial was showing a net deficit for the first two months of £12,000. Members questioned whether the projections had been too optimistic, or whether people had now learned about the scheme and had altered their behaviour.

A shortfall in Trade Waste collection income of £100,000 was projected. Members questioned whether this was a service that the Council had to provide, whether it was competitive what market share the Council held. The Council was required to provide this service and it made a small surplus, so there was no cost to the Council.

It was noted that in paragraph 3.7.1 concerning General Fund Balances the year should be 2014, not 2013.

**RESOLVED that the recommendations be supported.**

**(8) Capital Programme Monitoring 2013/14**

Report RES13141

The report summarised the current position on capital expenditure and receipts following the first quarter of 2013/14 and sought the Executive's approval to a revised capital programme.

**RESOLVED that the recommendations be supported.**

**(9) Opportunity Site G - Churchill Place – Selection of a Preferred Development Partner**

Report DDR13/095

The Committee considered the report which set out the response to the development brief issued as part of the procurement process for the selection of a development partner for Churchill Place (Site G). It was recommended

that the Council grant Muse Developments preferred developer status and enter into an exclusivity period of 12 months to allow for further negotiations. Members were disappointed that the other two potential developers had dropped out of the process, but officers emphasised that there had still been a thorough evaluation of their bid. This was a significant opportunity for them in a tough market.

**RESOLVED that the recommendations be supported.**

**(10) Update on the Special Educational Needs and Disability (SEND) Pathfinder**

Report ED13069

The report requested the Executive to release funds held in Central Contingency to the Bromley Pathfinder budget. The report had already been considered by the Education PDS Committee on 2<sup>nd</sup> July and they had supported the recommendations.

**RESOLVED that the recommendations be supported.**

**(11) Adults Social Care**

Report CS13017

The report set out proposed management and organisational changes in adult social care, allowing staff to focus on assessment, safeguarding, quality assurance and more robust gatekeeping. Authority was also sought to market test the services currently being provided by the Council's in-house social care direct service division.

Members congratulated the Director of Education, Care and Health Services for providing a particularly well written report.

**RESOLVED that the recommendations be supported.**

**355 REVENUES SERVICE MONITORING REPORT**

Report RES13133

The Committee received a summary of Revenues Service performance by Liberata up to the end of March 2013, including a letter and statistical data from Liberata's Contract Director, Amanda Inwood-Field, who attended the meeting with her senior managers.

Members asked for further details of companies in default on NNDR.

It was explained that in respect of debts entered as awaiting probate, the table advised of the date that the invoice was raised, not the length of time for which probate had been outstanding.



The introduction of the new system of Council Tax Support had not had a great effect on collection rates, which were just 0.2% below the previous year at this stage.

Councillor Will Harmer requested further information on the payment methods used to collect Council Tax; he thought that too many people were still using the more expensive options rather than direct debit. Officers confirmed that it was in the interests of Liberata as well as the Council to drive people towards cheaper means of payment and Liberata confirmed that they tried each year to find ways to increase collection.

A settlement had been agreed with British Telecom over their debt and £183k had since been paid with a further 3103k of invoices being cancelled. This had reduced the balance to £128k of which £85k was over 90 days old. Liberata offered to provide a full breakdown of utility debt for Members.

Liberata confirmed that they could reinforce their teams with additional staff at busy times – business was driven by demand from Council departments and factors such as quarterly accounts.

Liberata were asked what processes they had to distinguish overdue invoices. It was confirmed that all Bromley invoices were for immediate payment and were counted by the number of days overdue, although there were different processes for different types of debt. Liberata were always very proactive in following up debt, and they confirmed that a great deal of effort was put into working with Housing on collecting Nightly Paid Accommodation charges and making contact with clients within fourteen days when new rent accounts were set up. Officers confirmed that the accounts assumed a high level of bad debt in this area which involved working with around 400 clients who moved in and out of temporary accommodation and often disappeared. However, any benefits went direct to the rent account. Liberata offered to provide more information on this.

The Chairman thanked Liberata for attending the meeting and for the good work that they were doing.

**RESOLVED that the information contained in the report and the letter from Liberata be noted.**

**356            HOUSING AND COUNCIL TAX BENEFIT SERVICE**  
**MONITORING REPORT**  
Report RES13134

The Committee received a report detailing levels of performance in 2012/13 provided by the Benefits Service run by Liberata. The report also included, at Appendix 10, Bromley's Discretionary Housing Payments Policy, introduced in April 2013.

Officers confirmed that activity appeared to be higher in March because every claim was re-assessed then.

A Member asked whether Housing Associations paid Council Tax on empty properties – in most cases they could claim a charity exemption.

There had been a large increase in claimants for discretionary housing payments, about three times the level of last year. Discretionary Housing Payments did not form part of the Housing Benefit scheme and as a result there was no independent appeals process but there was a right of review by another officer. The awards were, in the main, intended as short-term or one-off payments; however, on occasion a longer term award might be made. An example of this was where a dwelling had been adapted to meet the needs of a disabled resident, thereby making it desirable for the person being able to remain in that property. A Member commented that the purpose of the Working Tax Credit to get people back into work should be mentioned in the Policy. Members asked whether there were any changes to legislation required that they should be lobbying for.

Members asked whether legislation required housing benefit correspondence to be sent by letter when more could be done by email or online.

Asked whether Appendix 8 (caseloads) showed a significant trend, officers confirmed that Inner London authorities had reported a slight reduction in caseloads in recent years, and there was a suspicion that this reflected some claimants moving to outer London.

It was the person liable for Council Tax who could appeal against their Council Tax band; officers confirmed that, despite the recent changes, there had not been an increase in appeals.

The Chairman asked for a breakdown of the length of Discretionary Housing Payments for review by the Committee in six months.

**RESOLVED that the service performance for 2012/13 be noted and the Discretionary Housing Payment policy at Appendix 10 to the report be supported.**

**357           UPDATES FROM PDS CHAIRMEN**  
Report RES13097

Updates from the following PDS Committee Chairmen had been circulated –

- Cllr Kate Lymer: Public Protection and Safety PDS Committee, 18<sup>th</sup> June (Typing errors were noted in section 1, where “2012/13” should read “2013/14” and in section 7, where “restricting” should read “re-structuring”)
- Cllr Pauline Tunnicliffe: Care Services PDS Committee, 18<sup>th</sup> June
- Cllr William Huntington-Thresher, Environment PDS Committee, 25<sup>th</sup> June
- Cllr Nicholas Bennett: Education PDS Committee, 2<sup>nd</sup> July

**358 WORK PROGRAMME 2013/14**  
Report RES13 118

The Committee received an update on its work programme for 2013/14 and on currently active working groups and Sub-Committees and members updated the committee as follows –

- Councillor Peter Fookes expressed an interest in a working group on Community Budgets.
- Councillor Will Harmer reported that he hoped to be able to provide a further report from the New Technology Working Group in September.
- Councillor Nicholas Bennett reported that the School Governance Working Group had now completed its work and the Primary School Development Working Group would be meeting on 2<sup>nd</sup> September.
- Councillor William Huntington-Thresher informed the Committee that there was no intention that the Highway Assets Working Group would need to meet in the current year.

**359 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**

**360 EXEMPT MINUTES OF THE MEETING HELD ON 5TH JUNE 2013**

The exempt minutes of the meeting held on 5<sup>th</sup> June 2013 were confirmed.

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

The Committee scrutinised the following proposed decisions of the Resources Portfolio Holder.

**361.1 Manorfields, Avalon Road, Orpington**

The Committee recommended that the Portfolio Holder accept one of the top two offers for the site.

**361.2 20 SNOWDOWN CLOSE, PENGE**

The Committee considered a request from Bromley Citizens Advice Bureau to surrender its lease for this property and supported a proposal to allow interested parties to put forward proposals before a further report is submitted.

**361.3 WINSFORD, GARDEN ROAD, PENGE**

The Committee supported recommendations to declare Winsford, Garden Road, Penge, surplus to requirements and to authorise its advertisement for sale.

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

The Committee scrutinised reports on the Executive's part 2 agenda for the meeting on 24th July 2013 concerning the Acquisition of Property to Support the Objectives of the Bromley Town Centre Area Action Plan, Castlecombe Children and Family Centre, Residential Property Acquisitions – Capital Funding Proposal, Award of Contract for Care and Support Services in Two Supported Living Schemes, a reference from Education PDS Committee and Audit Sub-Committee and an update on Capital Receipts.

The Meeting ended at 9.51 pm

Chairman

**APPENDIX 1**

**Questions to Cllr Graham Arthur, Resources Portfolio Holder, for oral response from Lorraine Boley, Royston Estate Residents' Association (RERA)**

1. What weight will the Portfolio holder give to community needs in the area immediately surrounding the CAB building in Snowdown Close, as opposed to commercial interests, particularly in light of recent events?

Reply -

Cllr Arthur responded that he was at a disadvantage because the report was on part 2 of the agenda, but as a result of local concern, he was being recommended to give interested parties time in which to put forward proposals for the future of this property. It had been suggested that options should be considered in October.

2. What opportunity will there be for meaningful prior public consultation with the local community about future use of the CAB building?

Reply -

Local groups will be given an opportunity to put forward their proposals as part of the process being proposed, and he was minded to delay a decision until these had been considered.

3. What safety and security measures will the Council put in place for the building and the surrounding area, in particular the car park which acts as a public right of way to Royston Field, for example will providing adequate exterior lighting be a lease condition?

Reply -

The Council does not own the access to Royston Field or the whole of the car park area and therefore will not be able to enforce such measures over land not in its ownership. If the property is leased, the Council could require the tenant to undertake safety and security measures in relation to the land included in the lease.

Ms Boley did not have any supplementary questions, but she asked if their association could put further questions to Cllr Arthur outside the meeting if necessary. He confirmed that this would be acceptable.

**Question to Cllr Graham Arthur, Resources Portfolio Holder, for written response from Cllr John Getgood**

The CAB had to vacate their premises in Snowdown Close SE20 on 1<sup>st</sup> April, following a reduction in the grant from Bromley Council. Please will he clarify

whether Bromley CAB is continuing to have to pay rent or is incurring any other costs on these premises under a previous or existing contract?

Reply –

The proposal in the report is that the CAB's lease is surrendered with effect from 25<sup>th</sup> March 2013. If this is agreed, the CAB will only be obliged to pay rent up to and including 24<sup>th</sup> March. Until the lease is surrendered, the CAB remains responsible for repairs, utilities and securing the building. As a charitable organisation, the CAB does not have to pay business rates.