

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

Minutes of the meeting held at 7.00 pm on 4 January 2018

### **Present:**

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

### **Also Present:**

Councillor Graham Arthur, Portfolio Holder for Resources  
Councillor Colin Smith, Leader of the Council

#### **109 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS**

No apologies for absence were received.

#### **110 DECLARATIONS OF INTEREST**

Councillor Fawthrop declared a pecuniary interest as an employee of British Telecom. Councillor Fawthrop left the room during consideration of Item 7 on the Executive Agenda (Gateway Report 1 – Members Report: Review of Corporate Customer Services IT Systems).

There were no further declarations of interest.

#### **111 QUESTIONS FROM COUNCILLORS AND MEMBERS OF THE PUBLIC ATTENDING THE MEETING**

No questions were received.

#### **112 MINUTES OF THE EXECUTIVE AND RESOURCES PDS COMMITTEE MEETING HELD ON 29 NOVEMBER 2017 (EXCLUDING EXEMPT ITEMS)**

The minutes of the meeting held on 29 November 2017,(excluding exempt information) were agreed, and signed as a correct record.

#### **113 MATTERS ARISING AND WORK PROGRAMME**

The Committee considered a report setting out matters arising from previous meetings and the Committee's work programme for 2017/18.

The Chairman noted that the report was now in the new format combining both Matters Arising and the Work Programme, a format that had previously been adopted by the Environment PDS Committee. The Chairman suggested that the Committee should recommend that other PDS Committees adopt a similar format if they were not already doing so.

Members expressed concern that the majority of actions arising from the previous meeting had not yet been completed. It was noted that failure to complete actions in a timely manner had become a regular occurrence and Members suggested that action needed to be taken to address any failure in the current processes. The Chairman requested that an email be sent to all Officers and Councillors who owned actions arising from the previous meeting stating that all the information that had been requested by Members at the last meeting be sent to the Committee by close of play on Monday 8<sup>th</sup> January 2018.

The Committee requested that the Democratic Services Officer forward a copy of the minutes from the previous meeting to the Chief Executive noting the expectation of the Committee that responses were circulated by close of play on Monday 8<sup>th</sup> January 2018.

*Action Point 16: That Officers be asked to provide the information requested by the Committee at its meeting on 29<sup>th</sup> November 2017, by close of play on Monday 8<sup>th</sup> January 2018, and that the Democratic Services Officer forward a copy of the minutes from the previous meeting to the Chief Executive noting the expectation of the Committee that responses are circulated by close of play on Monday 8<sup>th</sup> January 2018.*

**RESOLVED: That:**

- 1. Progress on Matters Arising from Previous meetings be noted and that the concerns raised by the Committee concerning lack of progress on outstanding actions be referred to the Chief Executive;**
- 2. The Work Programme be noted; and**
- 3. Policy Development and Scrutiny Committee be recommended to adopt the revised format for a combined Matters Arising/Work Programme report if they are not already doing so.**

**114 FORWARD PLAN OF KEY DECISIONS**

The Committee noted the Forward Plan of Key Decisions covering the period January 2018 to April 2018.

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

No questions were received.

## **116 SCRUTINY OF THE RESOURCES PORTFOLIO HOLDER**

The Portfolio Holder for Resources, Cllr Graham Arthur, addressed the Committee highlighting achievements within the Portfolio in 2017, and looking at the challenges facing the Portfolio in 2018.

### Achievements in 2017

- Substantial savings had been achieved through a combination of efficiency and innovation.
- The Council had remained debt free.
- Officers were working with Cushman and Wakefield to investigate opportunities to shrink the Council's estate and better manage the remaining estate. A list of potential properties and pockets of land had been identified for disposal. Items would be coming forward at future meetings. Local Ward Members would be fully involved and the views of local Ward Members, who had knowledge and expertise of the local area, would be sought. The Portfolio Holder noted that any issues that arose with smaller properties would need to be handled with sensitivity.
- The Mears scheme had proven to be successful and Phase 1 would complete and come to fruition in 2018.
- The contracts with both BT and Amey were well embedded.
- The Departmental Representatives (Dep Rep) Forum appeared to be working well and staff representatives on the Forum were positive and dynamic about the operation of the Forum..
- The Council's Pensions Team had gained the highest Award in their class and their achievement was nationally recognised.
- Since the implementation of local terms and conditions, just over £1m in Special Merit Payments had been distributed to staff.

### Challenges in 2018:

- In terms of the budget, the financial challenges facing the Council in three years' time needed to be recognised and clearly understood. The focus had to be on sustainability.
- Partnerships were key to managing financial pressures and the Council had to continue its practice of lobbying to ensure that it received the funding that it was due.
- Work had to continue to ensure that the best was made out of new opportunities such as Business Rate Retention.
- The introduction of the Community infrastructure Levy (CIL) would bring with it a potential income of approximately £3.5m in 2019. CIL could be used to determine the shape of the Borough going forward.
- The impact of Universal Credit would have to be monitored. Issues were arising from the pilots that had been undertaken and the Portfolio Holder and Officers were closely watching outcomes.
- The cost of special educational needs would continue to pose a challenge and work was ongoing to address this and investigate opportunities for provision within the Borough.

- Work would need to continue to identify alternative investment opportunities and there would continue to be a need to be creative and innovative with treasury management.
- Members and Officers would need to continue to work to ensure that contracts represented value for money.

The Portfolio Holder concluded his presentation to the Committee by highlighting that across the Council there was an excellent team of hardworking, dedicated professionals who were performing at the highest level and it was important that the contribution made by staff was recognised.

In response to questions from Members, the Portfolio Holder made the following points:

- By the end of Quarter 1 discussions, debate and evaluation of the business case for phase 2 of the Mears scheme could begin. The Portfolio Holder reminded Members that there was likely to be increased competition for schemes in the future.
- Selling of smaller bits and parcels of land across the Borough would also reduce some of the maintenance costs for which the Council was liable.
- Some land could be sold with planning permission to enable the Local Authority to influence types of development in certain areas and ensure that development was in keeping with the local area.
- Initiatives from staff interested in running service would be welcomed.

The Committee further noted the update from the Leader of the Council that the letter received from the GLA concerning a tracker for rogue landlords would be referred to the relevant PDS Committee for review.

The Chairman of the Environment PDS Committee confirmed that, in light of recent national headlines concerning potential future challenges in relation to the recycling of waste resulting from some global trade decisions, the Committee would be reviewing the issue of recycling in the Borough and the contingency plans that the Council had in place in relation to the future recycling of waste.

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

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

### **a CAPITAL PROGRAMME MONITORING - 2ND QUARTER 2017/18 Report FSD18002**

The report set out changes agreed by the Executive in respect of the Capital Programme for the Resources Portfolio. The revised programme for the

Portfolio was set out in Appendix A to the report, and detailed comments on scheme progress as at the end of the 2<sup>nd</sup> quarter of 2017/18 were shown in Appendix B.

**RESOLVED: That the Portfolio Holder be recommended to confirm the changes agreed by the Executive on 6<sup>th</sup> December 2017.**

## **119 PRE-DECISION SCRUTINY OF EXECUTIVE REPORTS**

The Committee considered the following reports on the Part 1 agenda for the meeting of Executive on 10<sup>th</sup> January 2018.

### **(6) DRAFT 2018/19 BUDGET AND UPDATE ON THE COUNCIL'S FINANCIAL STRATEGY 2019/20 TO 2021/22 Report FSD18001**

The report sought the approval of the Executive of the initial draft 2018/19 Budget including the full year effect of changes agreed as part of the 2017/18 Council Tax report including savings approved during the year with the resultant impact on the Council's medium term "budget gap". The report also provided details of the third year of the four year local government financial settlement (2018/19 to 2019/20), the impact of the Chancellor's Autumn Budget 2017 and the provisional Local Government Financial Settlement 2018/19.

In response to a question, the Director of Finance reported that there were opportunities to challenge the policies of Government in relation to Local Government finance. The Government was listening to some of the concerns that were being raised. The Leader, Resources Portfolio Holder and Senior Officers were lobbying hard to highlight the position in which Bromley found itself and to ensure that Bromley received a fairer funding settlement. On the day after the provisional Local Government Settlement had been announced the Leader, Portfolio Holder for Resources, Chief Executive and Director of Finance had met with the Secretary of State for Communities and Local Government to discuss the various financial challenges. Generally, Local Government Finance was becoming more complex however it appeared that the Government was now listening more than in previous years. The Local Authority was taking steps to ensure that Ministers were fully apprised of all the issues.

The Chairman noted that Council had powers to raise empty homes premium from the current 50% of council tax to 100% of council tax. It was agreed that the Executive should be asked to consider this option as it provided an opportunity to raise additional revenue. In response to questions from Members the Director of Finance explained that as a general rule any liveable property that remained vacant was deemed to be an empty property although there were exceptions to this such as where the property formed part of an estate for the purposes of probate. It was agreed that the Director of Finance would forward the definition of 'empty property' to the Committee

*Action Point 17: That the Director of Finance forward the definition of “Empty Property” to the Committee.*

The Chairman also highlighted that action would need to be taken by Chief Officers to fund increasing costs through alternative savings in the event that inflation exceeded budget assumptions. It was agreed that there should be a specific recommendation for the Executive to note this.

Members noted the perverse situation highlighted in Appendix 2 of the report whereby in 2019/20 Bromley was due to face negative Revenue Support Grant and could be required to pay the Government £2.3m. Members encourage senior politicians and officers to continue to lobby on this matter to achieve a fair outcome for Bromley.

Members noted that the Local Government Finance Settlement 2018/19 had confirmed that Council would be in a position to increase Council Tax by up to 2.99% without a referendum in addition to the Social Care precept.

The Committee also noted that, in the face of mounting financial challenges, there would be a need to manage the rising expectations of residents across the Borough. The Director of Finance further noted that it would not be possible to reduce local government funding by the amount that was being proposed whilst continuing to expect local government to meet the same number of statutory responsibilities. Whilst the financial outlook was very challenging it appeared that the view of the Government was simple, there was a clear expectation that council’s across the Country have a legal obligation to balance their budgets.

**RESOLVED: That the Executive be recommended to:**

- 1. Agree the initial draft 2018/19 Budget detailed in Appendix 7 to the report;**
- 2. Refer the initial draft 2018/19 Budget for each portfolio to the relevant PDS Committees for consideration;**
- 3. Note the financial projections for 2019/20 to 2021/22;**
- 4. Note that there are still areas of financial uncertainty which will impact on the final 2018/19 Budget and future year forecasts;**
- 5. Delegate the setting of the schools budget, mainly met through Dedicated Schools Grant, to the Education, Children and Families Portfolio Holder, allowing for consultation with head teachers, governors and the Schools Forum;**
- 6. Note that the outcome of consultation with PDS Committees will be reported to the next meeting of the Executive;**

- 7. Consider the outcome of the public consultation meetings detailed in Appendix 10 of the report;**
  - 8. Agree the proposed contribution of £248,033 in 2018/19 to the London Boroughs Grant Committee;**
  - 9. Note the outcome of the Provisional Local Government Financial Settlement 2018/19 as detailed in the report;**
  - 10. Note the significant budget gap remaining of an estimated £38.7m per annum by 2021/22 and that any decisions made for the 2018/19 Budget will have an impact on the future year projections;**
  - 11. Note that any final decision by Executive on recommended council tax and social care precept levels to Council will normally be undertaken at the next meeting of Executive;**
  - 12. Consider the option of raising the empty homes premium to 100% of council tax.**
  - 13. Agree to delegate authority to the Director of Finance in consultation with the Director of Corporate Services, Leader of the Council and the Resources Portfolio Holder, in relation to the operational details of the London Business Rate Pilot pooling arrangements with the participating authorities;**
  - 14. Agree to enter into a Memorandum of Understanding with the participating authorities as may be necessary to implement and/or regulate the pool and to delegate authority to the Director of Finance in consultation with the Director of Corporate Services, Leader of the Council and the Resources Portfolio Holder, to finalise the arrangements on behalf of the Council.**
  - 15. Note that action will need to be taken by Chief Officers to fund increasing costs through alternative savings in the event that inflation exceeds the budget assumptions.**
- (7) GATEWAY REPORT 1 – MEMBERS REPORT: REVIEW OF CORPORATE CUSTOMER SERVICES IT SYSTEMS  
Report CSD17165**

Councillor Simon Fawthrop left the room during consideration of this item and the Vice-Chairman (Councillor Keith Onslow) assumed the Chair.

The Committee considered an update on the progress of the review of alternative options for the Customer Relationship Management (CRM) system.

The review by BT had included a review of alternative systems available in the market place; including the Microsoft Dynamics products taking into account Customer Service requirements and the Business requirements.

It was noted that the CRM system was a critical system that was used by the waste management service and was required until 2019 when the new contract would be in place and the responsibility of a Waste IT system would pass to the contracted service providers.

Due to the unique and complex customisations that had been deployed to the system for the waste management service it was not possible to deploy a replacement system before 2019, when the new Environment contract would be placed. Obtaining costs for upgrading had also proved to be extremely difficult and had taken a considerable period of time from the Council's system support provider (IBM).

The following three options had been reviewed:

Option 1 – Do Nothing - this would mean the system would be unsupported by Microsoft. If the system was hacked and personal data exposed the Council would be in breach of GDPR rules, an uninsurable risk with fines in the region of £18million.

Option 2 – Upgrade Dynamics CRM to 2011 – an upgrade to the existing platform with far less work and cost when compared with the latest version. Would provide a supported system until mid-2021. This would provide a secure and supported system to 2019 to coincide with the new Environment contract commencement date. The cost for moving to version 2011 was estimated to be £382,000, with a continuation of the annual revenue costs of £34,000 payable for as long as the system was used.

Option 3 – Upgrade Dynamic CRM to 2016 – this would require a complete system rebuild before implementation with costs estimated to be in excess of £1m to implement and £62,000 per annum revenue costs to support and host the system. In addition to this, continuing with a Dynamic system would incur costs for future upgrades every 2-3 years of approximately £50,000

It was therefore recommended that the Council commissioned BT, by variation to the existing contract, with a Change Control Notice, to upgrade Dynamics to Version 2011. This represented a lower cost and was essential to avoid critical service interruption.

In opening the debate the Vice-Chairman, in the Chair, sought clarification surrounding the risks of pursuing Option 1 – to do nothing. In response the Head of Customer Services confirmed that the Council would not be compliant with the public service network code of compliance, and therefore could risk breaching GDPR. If the system were to be hacked and personal data exposed the Council would be deemed to be in breach of GDPR and risk a fine in the region of £18m. A Member noted that if the system were to be hacked and personal data exposed every Member of the Council would be

held individually responsible for the release of personal data. It was generally agreed that pursuing Option 1 was not an option. As a Local Authority Bromley had thousands of customers and the system under consideration was central to operations. The consequences of a failure in a customer facing system would be unimaginable and the reputational damage immeasurable. It was noted that significant staffing costs had been saved by going digital and there had not been a great deal of investment in the system in recent years.

Members expressed concerns surrounding the delay in the report coming before the Committee as there had been knowledge of the requirement to upgrade the system for at least 12 months. Members were keen to ensure that a council-wide approach to IT systems was pursued, and the report before the Committee appeared to be taking a relatively short-term approach. Any investment needed to be made with a view to looking forward and identifying future requirements in order to optimise the benefit of the investment.

The Director of Finance highlighted that work was underway on the Council's IT Strategy which would also inform future decisions. It was suggested that it would be helpful to supply additional information about the IT Strategy in order to inform the discussion at the meeting of the Executive when the decision was due to be considered.

The Committee noted that the costs of £1.002m for the upgrade to Dynamic 2016 outlined in the report also included costs of £382k for the upgrade to Dynamic 2011. Members considered recommending Option 3 to the Executive, however during discussions it was noted that pursuing Option 2 would allow time to commission BT to undertake a review and would ensure that any future decisions could be taken in line with the IT Strategy which would be presented to Members later in the year and should make it clear that there should be no customisation of 'off-the-shelf' products. If customisation was required options for bespoke products should be considered.

**RESOLVED: That Executive be recommended to:**

- 1. Note the need to upgrade the current CRM system as outlined in this report.**
- 2. Commission BT, by variation to their existing contract, to upgrade to Dynamics Version 2011 to avoid critical service interruption for the reasons set out in the report.**
- 3. Commission BT, by variation to their existing contract, to provide a fully costed options appraisal for the longer term provision of IT services currently delivered by the current CRM system, as set out in the report, in conjunction with the developing IT Strategy.**
- 4. Agree the addition of £480k to the capital programme, funded from a £37k reduction to the existing capital scheme for the website upgrade, and £443k from capital receipts.**

**(9) FEASIBILITY SYUDY FOR BANBURY HOUSE, CHISLEHURST**

The Committee considered a report which provided an update on the feasibility assessment undertaken in respect of Banbury House for refurbishment and use as temporary accommodation to meet statutory housing need.

Members noted that the feasibility study had confirmed that that the building could be converted to achieve a maximum of 29 shared units. Unit sizes would be relatively small and thus only able to accommodate single households, couples or small families comprising one adult and one young child. Schemes of this nature required more intensive management and on-site presence than self-contained accommodation and also had higher costs in relation to turnover, security and communal areas. Whilst the scheme would provide additional local provision, it would be somewhat restrictive given the unit size. The net annual saving would be relatively small and payback for capital investment would take in excess of 7 years. It was therefore recommended that this option was not pursued.

The Committee noted that any future use of the site would require demolition of the existing building and basic clearance of the site for redevelopment. Members noted that demolition and basic preparation of the site would cost approximately £166k. This would increase the attractiveness of the site for future development to maximise future proceeds and that costs could be offset against the proceeds from future use. Members further noted that should a decision be made to dispose of the site, it was estimated that the capital receipt could be around £3.5m.

It was agreed that the Executive should be recommended to ask Officers to investigate whether modular homes could be a possibility once the site was prepared.

**RESOLVED: That Executive be recommended to:**

- 1. Note the outcome of the feasibility assessment for use of Banbury House as temporary accommodation and decision not to proceed with refurbishment as this does not offer an economically viable scheme and demonstrate best use of the site.**
- 2. Approve demolition of the existing building to ensure the site is secured and prepared for future use to maximise future development opportunities.**
- 3. Authorise officers to complete a final feasibility options appraisal to be reported back in May for decision on future use of the site to meet housing need or for methods for marketing and disposal of the site to secure best value.**

- 4. Agree the estimated cost of £166k be added to the Council's Capital Programme for demolition and site preparation. This sum will be funded from any future sale proceeds, or added to any future capital scheme for alternative use of the site.**
- 5. Ask Officers to investigate whether modular homes might be a possibility once the site is prepared.**

## **120 PRESENTATION FROM CUSHMAN AND WAKEFIELD**

As Cushman and Wakefield had been unable to attend the meeting the Director of Regeneration attended the meeting to respond to some of the concerns that had been raised at previous meetings and to answer Members questions.

The key components of the TFM contract were outlined to Members, in particular how these related to Cushman and Wakefield. There were four distinct elements to the contract that needed to be considered:

1. There was a Core Contract in place whereby Cushman and Wakefield operated as a sub consultant to Amey with whom the Council was in contract with for the delivery of operational property, facility management and strategic property services. Both Amey and Cushman and Wakefield operated to a 'core contract'.
2. The contract allowed, through an incentivised process, for the achievement of Additional Income – £1m
3. Project Delivery
4. Investment Acquisition

### **The Core Contract.**

The Core Contract that related to Cushman and Wakefield effectively reflected, through a specification, the work that the former in house Strategic Property Team undertook on behalf of the Council. This contract was in place for a period of eight years and the Cushman and Wakefield element had been running for just over one year.

The 'core contract' costs paid to Cushman and Wakefield showed a £50k annual saving on previous costs incurred when the service was delivered in house. This was against the delivery of the day to day activity of the Strategic Property Team and had been consistently delivered over the last year with no issues to report. The sum of £50k was slightly less than that originally reported because of adjustments to the contract sum for the costs revised employer superannuation contribution rates following a 2016 valuation. The budget head for this area was not showing as being over spent demonstrating that the £50k saving had been achieved.

There was an additional element that fell within the core contract and this was the development of a comprehensive estate strategy whereby all of the Council's land holdings were being reviewed, the first phase of this work was complete and the intention was to share this with Members on a ward basis and seek views on particular property assets.

### **Additional Income 'The £1m'**

As part of the Amey bid (Cushman and Wakefield was effectively a domestic sub-consultant to Amey) Cushman and Wakefield had to identify an additional £1m of efficiencies to be achieved over the next three years. They had now presented to the Strategic Asset Management Group their draft proposals and would be seeking to work the detail over the coming weeks. This additional income would be achieved from better management of the Council's existing estate and did not include any income for new assets. As an example, Cushman and Wakefield had identified that a significant number of existing tenants should have been contributing to the cost of insurance, but this had not been happening going back some considerable years. A strategy to rectify this position was being developed. However, there needed to be a sensitive approach to this given the size and status of some of the organisations and businesses.

In summary, a year on year revenue saving of £50k had been achieved and Officers were now beginning to firm up the additional £1m of efficiencies that featured as part of the contract proposal. The asset strategy was developing and, subject to Member approval, was likely to generate additional capital and reduce revenue commitments for landlord liabilities. There was also a further associated benefit in that it was clear that there was a much more joined up approach between Operational Property, Amey and Strategic Property (Cushman and Wakefield) than had been the case when both services were delivered in house.

### **Project Delivery**

Cushman and Wakefield had begun to move forward on developing a number of key projects that the Council was keen to bring forward. Council had agreed to the allocation of a 'feasibility fund' to effectively kick start projects and pick up some momentum. The Core Contract allowed for project work through a schedule of rates approach. One benefit to this contracting approach was the ability to place feasibility/project work through this contract thus reducing the up-front time and costs involved in procuring costs and services. This process was managed within the contract through a "Property Related Works Instruction Form Tracker" whereas changes to the contract where works were either removed or added were managed through the Change Control process. Section 11 of Schedule 4 to the Contract set out in some detail the process to be followed, it also stated that there was no obligation on the customer, i.e. Bromley, to instruct the Service Provider, Amey, to deal with any additional works or projects.

Prior to the concerns raised by Members, Officers had raised concerns concerning project delivery with senior managers at Cushman and Wakefield. This resulted in some organisational changes with additional resources being placed into the Bromley contract in November 2017. However, there was little evidence that this had addressed the key concerns and as such the Director of Regeneration had met with Amey, the primary contractor, prior to Christmas and asked them to bring in four companies for benchmark costs and delivery against the delivery of projects going forward. This was due to happen over the coming weeks. No new works had been placed with Cushman and Wakefield outside of those that Members are aware of and it was anticipated that new schemes being brought forward would not be placed with Cushman and Wakefield, unless they were competitive in their pricing and clear on delivery. This approach would allow for the benchmarking of costs, but will also add time to the process as Officers will be in effect be undertaking mini competitive processes.

To date not all strategic property work had been placed with Cushman and Wakefield, for instance the work required to further develop Site G had recently been placed with Montague Evans.

### **Investment Acquisition**

The Director of Regeneration confirmed that the Council did not pay Cushman and Wakefield for investment acquisition costs where a property was not purchased, so for example the Elmfield Road site which was ultimately not acquired did not attract any additional fees, despite the fact that Cushman and Wakefield had undertaken work to inform the decision making process.

An analysis of previous pricing schedules for the acquisition of investment properties indicated fees in the area of 0.59% for properties up to £10m (2014 figures) Cushman and Wakefield's fee for the acquisition of the Ashford property in 2017 was 0.79% . Whilst this was clearly marginally higher, a working assumption would be that costs over a three year period had risen. In addition the original 2014 framework that the Council utilised included additional hourly rate costs, whereas the Cushman and Wakefield fee was inclusive.

The Director of Regeneration confirmed that the disposal of the Old Town Hall/South Street Car Park, would be carried out as part of Cushman and Wakefield's core contract activity and aside from some minor costs would not attract any addition fees. Ultimately, depending on the information currently held on this site and the extent of the works, there was a possibility that the Council would not have to draw down against the £40k outlined in the previous report.

During the discussion the Vice-Chairman noted that the rates payable were a percentage of the sale price. As the value of property had increased over the past four years it was clear that the rates payable had therefore also significantly increased. The Vice-Chairman also emphasised the need to

ensure that as the landlord the Council maintained an element of control over insuring properties and that costs were then recharged to tenants.

In response to a question, the Director of Regeneration reported that there was a small client-side team of 4 that was responsible for monitoring and managing the contract. 3 members of staff were responsible for monitoring the contract and 1 member of staff was responsible for managing the contract.

Members noted that the Council's estate was changing and that there would be capacity within the current contract to realise further savings. As the estate was reduced as part of the Estate Strategy the costs of managing the estate were also likely to reduce.

The Chairman thanked the Director of Regeneration for attending the meeting and providing an update to the Committee.

**121 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**

**122 EXEMPT MINUTES OF THE MEETING HELD ON 29 NOVEMBER 2017**

The exempt minutes of the meeting held on 29 November 2017 were agreed and signed as a correct record.

The Meeting ended at 9.37 pm

Chairman