

## **EXECUTIVE**

Minutes of the meeting held on 13 February 2019 starting at 7.00 pm

### **Present:**

Councillor Colin Smith (Chairman)  
Councillors Graham Arthur, Peter Fortune,  
William Huntington-Thresher, Kate Lymer, Peter Morgan  
and Diane Smith

### **Also Present:**

Councillor Simon Fawthrop and Councillor Angela Wilkins

#### **112 APOLOGIES FOR ABSENCE**

There were no apologies for absence.

#### **113 DECLARATIONS OF INTEREST**

There were no declarations of interest.

#### **114 QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING**

No questions had been received.

#### **115 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 16TH JANUARY 2019** Report CSD19011

Councillor Angela Wilkins queried whether resolution (5) regarding the schools budget in minute 102 (Draft 2019/20 Budget and Update Council's Financial Strategy 2020/21 to 2022/23) was correct, in that it was beyond the Executive's powers, but the Director of Corporate Services advised that it should be read in the context of the overall budget setting process.

**RESOLVED that the minutes of the meeting held on 16<sup>th</sup> January 2019 (excluding exempt information) be confirmed.**

#### **116 2019/20 COUNCIL TAX** Report FSD19019

The report identified the final issues affecting the 2019/20 revenue budget and presented recommendations to the Council on the level of the Bromley element of the 2019/20 Council Tax and Adult Social Care precept. Confirmation of the final GLA precept would be reported to the Council meeting on 25<sup>th</sup> February 2019. The approach reflected in the report was for

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the Council to not only achieve a legal and financially balanced budget in 2019/20 but to have measures in place to deal with the medium term financial position (2020/21 to 2022/23). Amended recommendations and comments from all PDS Committee were tabled at the meeting.

The Portfolio Holder for Resources, Commissioning and Contract Management drew Members' attention to the interest receivable from the Council's investments, which would reach £15.4m and was a key part of the revenue stream, and also to the importance of lobbying Government for adequate funding.

The Portfolio Holder for Environment and Community Services drew attention to comments at the Environment and Community Services PDS Committee on the road maintenance budget. He considered that, in the light of the Government's recent allocation of additional funding, it was reasonable to take the proposed £177k saving for 2019/20, but not as a permanent reduction to the road maintenance revenue budget. The Leader concurred. The Portfolio Holder also confirmed that the PDS Committee had supported changes relating to parking issues, and he would be issuing a decision shortly.

Councillor Angela Wilkins stated that she was concerned that there had not been adequate scrutiny of the Education budget by the Education, Children and Families Select Committee, following the discussions at the Schools Forum and the Education, Children and Families Budget and Performance Monitoring Sub-Committee, and she suggested that there were discrepancies relating to the High Needs element of the Schools Budget and the disapplication request which had now been refused by the Department for Education (DfE). She also commented that Ellie Reeves MP had not been included in lobbying efforts on behalf of the Council.

The Children, Education and Families Portfolio Holder emphasised that the process had been explained at various meetings and with the schools. He was clear that no discrepancies existed. The Portfolio Holder said that everything had been explained to Councillor Wilkins at a one-to-one briefing with officers and made clear in a letter published by the Portfolio Holder, but that he was happy to explain it to her again. He stated that there were budget negotiations throughout the year with the Schools Forum, and that the Council was concerned that there was a shortfall of £3m in the High Needs funding from the DfE. A disapplication request was submitted but, as expected, it was denied.

The Council felt it was important that it had been submitted in terms of lobbying for the funding required. The Council was no longer able to move funds around to deal with this, so it was using £2m from its own reserves to help address the shortfall.

He stated that it was regrettable that a letter sent from Head Teachers to parents had not mentioned the extra funding from the council, the ring-fenced grant money or the lobbying process. He stated that he would continue to

work with all the Borough's MPs to lobby Government, but that he would always use the most expedient path to deliver outcomes for the Borough's children as that was far more important than party politics. The Portfolio Holder further responded that he had contacted Ellie Reeves MP in the past but was yet to receive a direct response.

**RESOLVED that Council be recommended to -**

- (1) (a) Approve the schools budget of £76.722 million which matches the estimated level of Dedicated Schools Grant (DSG) after academy recoupment (a reduction of £922k – see (b) below);
- (b) Approve the draft revenue budgets (as in Appendix 2 to the report) for 2019/20 to include the following updated changes:
- (i) DfE have refused a disapplication request by the Council resulting in increased costs of £1m (£922k reduction in DSG income due to Academy recoupment and £78k to an increase in expenditure for maintained schools). This is offset by a reduction of £788k held in the Central Contingency for additional 2019/20 High Needs (SEN) Funding. The shortfall of £212k will be met from the Government's additional 2018/19 High Needs Funding which will be reflected in the next Budget Monitoring 2018/19 report to Executive.
  - (ii) Parking Income £308k – subject to the final agreement of the Portfolio Holder for Environment & Community Services.
  - (iii) Other minor variations totalling £65k mainly relating to Business Rate Levy funding and updated collection fund surplus.
- (c) Agree that Chief Officers identify alternative savings/mitigation within their departmental budgets where it is not possible to realise any savings/mitigation reported to the previous meeting of the Executive held on 16<sup>th</sup> January 2019;
- (d) Approve the following provisions for levies for inclusion in the budget for 2019/20:

	£'000
London Pensions Fund Authority	452
London Boroughs Grant Committee	249
Environment Agency (flood defence etc.)	249
Lee Valley Regional Park	312
<b>Total</b>	<b>1,262</b>

- (e) Approve a revised Central Contingency sum of £10,943k to reflect the changes in (b) and (d);
  - (f) Note that the 2019/20 Central Contingency sum includes significant costs not yet allocated and there will therefore be further changes to reflect allocations to individual Portfolio budgets prior to publication of the Financial Control Budget;
  - (g) Approve the revised draft 2019/20 revenue budgets to reflect the changes detailed above;
  - (h) Set a 4.99% increase in Bromley’s council tax for 2019/20 compared with 2018/19 (2.99% general increase plus 2% Adult Social Care Precept) and note that, based upon their consultation exercise, the GLA are currently assuming a 8.9% increase in the GLA precept;
  - (i) Note the latest position on the GLA precept, as above, which will be finalised in the overall Council Tax figure to be reported to full Council (see section 12 of the report);
  - (j) Approve the approach to reserves outlined by the Director of Finance (see Appendix 4 to the report);
  - (k) Executive agree that the Director of Finance be authorised to report any further changes directly to Council on 25<sup>th</sup> February 2019.
- (2) Council Tax 2019/20 – Statutory Calculations and Resolutions (as amended by the Localism Act 2011)

Subject to 2.1 (a) to (k) above, if the formal Council Tax Resolution as detailed below is approved, the total Band D Council Tax will be as follows:

	2018/19 £	2019/20 £	Increase £	Increase % (note #)
<b>Bromley (general)</b>	1,094.18	1,128.80	34.62	2.99
<b>Bromley (ASC precept)</b>	64.30	87.46	23.16	2.00
<b>Bromley (total)</b>	1,158.48	1,216.26	57.78	4.99
<b>GLA *</b>	294.23	320.51	26.28	8.93
<b>Total</b>	1,452.71	1,536.77	84.06	5.79

\* The GLA Precept may need to be amended once the actual GLA budget is set.

- (#) in line with the 2019/20 Council Tax Referendum Principles, the % increase applied is based on an authority’s “relevant basic amount of Council Tax” (£1,158.48 for Bromley) – see paragraph 6 below. Any further changes arising from these Principles will be reported directly to Council on 25<sup>th</sup> February 2019.

**(3) Council be recommended to formally resolve as follows:**

- 1. It be noted that the Council Tax Base for 2019/20 is 131,428 'Band D' equivalent properties.**
- 2. Calculate that the Council Tax requirement for the Council's own purposes for 2019/2020 is £159,851k.**
- 3. That the following amounts be calculated for the year 2019/20 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992, as amended (the Act):**
  - (a) £531,584k being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.**
  - (b) £371,733k being the aggregate of the amounts which the Council estimates or the items set out in Section 31A(3) of the Act.**
  - (c) £159,851k being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year.**
  - (d) £1,216.26 being the amount at 3(c) above, divided by (1) above, calculated by the Council in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year.**
- (4) To note that the Greater London Authority (GLA) has issued a precept to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below (NB. the GLA precept figure may need to be amended once the actual GLA budget is set).**
- (5) That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the table below as the amounts of Council Tax for 2019/20 for each part of its area and for each of the categories of dwellings.**

<b>Valuation Bands</b>	<b>London Borough of Bromley £</b>	<b>Greater London Authority £</b>	<b>Aggregate of Council Tax Requirements £</b>
<b>A</b>	<b>810.84</b>	<b>213.67</b>	<b>1,024.51</b>
<b>B</b>	<b>945.98</b>	<b>249.29</b>	<b>1,195.27</b>
<b>C</b>	<b>1,081.12</b>	<b>284.90</b>	<b>1,366.02</b>
<b>D</b>	<b>1,216.26</b>	<b>320.51</b>	<b>1,536.77</b>
<b>E</b>	<b>1,486.54</b>	<b>391.73</b>	<b>1,878.27</b>

<b>F</b>	<b>1,756.82</b>	<b>462.96</b>	<b>2,219.78</b>
<b>G</b>	<b>2,027.10</b>	<b>534.18</b>	<b>2,561.28</b>
<b>H</b>	<b>2,432.52</b>	<b>641.02</b>	<b>3,073.54</b>

- (6) That the Council hereby determines that its relevant basic amount of council tax for the financial year 2019/20, which reflects a 4.99% increase (including Adult Social Care Precept of 2%), is not excessive. The Referendums Relating to Council Tax Increases (Principles) (England) Report 2019/20 sets out the principles which the Secretary of State has determined will apply to local authorities in England in 2019/20. Any further changes arising from these Principles will be reported directly to Council on 25<sup>th</sup> February 2019. The Council is required to determine whether its relevant basic amount of Council Tax is excessive in accordance with the principles approved under Section 52ZB of the Local Government Finance Act 1992.

**117 CAPITAL PROGRAMME MONITORING Q3 2018/19 AND CAPITAL STRATEGY 2019 TO 2023**  
Report FSD19020

The Executive considered a report on the Council's capital strategy summarising the position on capital expenditure and receipts following the third quarter of 2018/19 and presenting new capital schemes in the annual capital review process. The main focus of the annual bidding process had been on the continuation of existing schemes and on externally funded schemes. A supplementary report had also been considered on an additional allocation from the Department for Education (DfE) of £1,208k of Special Provision Fund capital grant for special needs and disabilities.

The Portfolio Holder for Resources, Commissioning and Contract Management drew attention to the Section 106 balances held by the Council, and emphasised the need to use this money well and within the time deadlines.

The Executive noted the report and agreed a revised capital programme, including the amendments recommended in the report, and recommended that Council approve the new scheme proposals, including the additional Special Provision Fund allocation.

**RESOLVED that**

**(1) The report be noted, including a total re-phasing of £14.2m from 2018/19 into future years, and a revised Capital Programme be agreed.**

**(2) The following amendments to the Capital Programme be agreed:**

**(i) increase of £116k to the Basic Need scheme, funded by £3k and 113k, from the remaining balances on the Langley Park Boys School (BSF)**

scheme and The Highway Primary (partial rebuild) scheme as detailed in paragraph 3.2.1 of the report;

(ii) increase of £405k to the Capital Maintenance in Schools scheme, funded by £386k and £19k from the remaining balances on the Suitability / Modernisation issues in schools and Universal Free School schemes as detailed in paragraph 3.2.2 of the report;

(iii) addition of £233k DFG funding to the Capital programme as detailed in paragraph 3.2.3 of the report;

(iv) Increase of £115k to the Carbon Management Programme as detailed in paragraph 3.2.4 of the report.

(3) Council be recommended to:

(i) agree the inclusion of the new scheme proposals listed in Appendix C to the report in the Capital Programme (see section 3.5 of the report.)

(ii) approve the inclusion of £1,208k of Special Provision Fund capital grant in the capital programme under the Basic Need scheme.

**118 OPERATIONAL BUILDING MAINTENANCE BUDGETS AND  
PLANNED PROGRAMME 2019/20**  
Report DRR19/011

The Executive received a report setting out the proposed maintenance budgets and planned maintenance programme for 2019/20. The Portfolio Holder for Resources, Commissioning and Contract Management highlighted an additional fund of £200k which would be used for essential maintenance of toilet facilities at the Civic Centre, enhancing opportunities for parts of the building to be let out for events and improving the working environment for staff. The Leader added that now that the future strategy for the Civic Centre was settled it was right that the small maintenance backlog should be addressed.

**RESOLVED that**

**(1) Subject to the Council agreeing the budget, overall expenditure of £2.135m be approved for the Building Maintenance budget in 2019/2020.**

**(2) The planned programme in Appendix A to the report be approved.**

**(3) Authority be delegated to the Director of Regeneration to vary the programmes to accommodate any change in the approved budget or where such action is considered necessary to either protect the Council's assets or make the most effective use of resources.**

**119            OPPORTUNITY SITE G: APPROVAL FOR IN PRINCIPLE USE  
                  OF COMPULSORY PURCHASE POWERS**  
Report DRR19/006

At its meeting on 8th February 2017 the Executive had selected Countryside Properties (UK) Ltd (“Countryside”) as the preferred development partner for the first phase of development of Opportunity Site G following a competitive procurement process. On 17th July 2017 the Executive had approved the detailed terms of the development agreement and lease for the development and on the 11<sup>th</sup> December 2017 full Council had approved the allocation of £24.3m for the purpose of acquiring properties within the red line area of Phase 1 of Opportunity Site G. To date, the Council had been in negotiations with land owners to acquire properties that were required to deliver the Scheme.

It was now recommended that the Executive agreed, in principle, to the use of the Council’s compulsory purchase powers to facilitate the delivery of the Scheme. This provided certainty and allowed preliminary processes required for the making of a Compulsory Purchase Order (CPO) to be carried out at the same time as negotiations with landowners were ongoing, saving time and supporting the negotiating process. Executive authority would still need to be sought in the future to make a compulsory purchase order to acquire any property interest that was required for the Scheme that could not be secured via negotiated settlement.

The Portfolio Holder for Renewal, Recreation and Housing confirmed that the site was important for the Council’s housing plans, and that six properties had already been successfully acquired.

**RESOLVED that**

**(1) it is agreed in principle to use compulsory purchase powers pursuant to section 226 of the Town and Country Planning Act 1990 (as amended) to acquire the land and new rights within the area described in the report and shown on the plan attached to the report, the Council being of the view that compulsory acquisition of the land may be necessary in order to secure the delivery of the Scheme.**

**(2) Officers be authorised to begin preparatory work to use the Council’s compulsory purchase powers, including serving requisitions on land owners and appointing land referencing agents to thoroughly investigate all land interests, the preparation of a Statement of Reasons and all other necessary documentation.**

**(3) It is noted that, subject to officers using all reasonable endeavours to assemble the land by agreement/private treaty, a further detailed report and a Statement of Reasons will come forward to the Executive in due**

course setting out the justification for the making of a compulsory purchase order.

**120        CONSIDERATION OF ANY OTHER ISSUES REFERRED FROM  
THE EXECUTIVE, RESOURCES AND CONTRACTS POLICY  
DEVELOPMENT AND SCRUTINY COMMITTEE**

There were no additional items to consider from Executive, Resources and Contracts PDS Committee on the part 1 agenda.

**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 16TH  
JANUARY 2019**

The exempt minutes of the meeting held on 16<sup>th</sup> January 2019 were confirmed.

**123        RELEASE OF GOVERNMENT FUNDING FOR THE STEP UP TO  
SOCIAL WORK PROGRAMME & APPROVAL FOR THE  
AWARD OF CONTRACT TO ROYAL HOLLOWAY UNIVERSITY  
OF LONDON FOR THE PROVISION OF POST GRADUATE  
DIPLOMA IN SOCIAL WORK**

The Executive approved the release of funding and award of a contract for the next cohort of the Step Up to Social Work Programme.

**124        CAPITAL PROGRAMME MONITORING - APPENDIX F**

The Executive noted Appendix F to the Capital Monitoring report.

The Meeting ended at 7.39 pm

Chairman

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