

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

Minutes of the meeting held at 7.00 pm on 5 February 2020

Present:

Councillor Simon Fawthrop (Chairman)
Councillor Christopher Marlow (Vice-Chairman)
Councillors Gareth Allatt, Julian Benington, Ian Dunn,
Nicky Dykes, Will Harmer, Russell Mellor, Keith Onslow,
Chris Pierce, Michael Rutherford, Michael Tickner,
Stephen Wells and Angela Wilkins

Also Present:

Councillor Graham Arthur, Portfolio Holder for Resources,
Commissioning and Contracts Management
Councillor Kira Gabbert, Executive Assistant to the
Resources, Commissioning and Contracts Management
Portfolio
Councillor Colin Smith, Leader of the Council

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

Councillors David Cartwright, Mary Cooke and Robert Evans submitted apologies for absence. Councillors Chris Pierce and Keith Onslow attended as respective substitutes for Councillors Cartwright and Cooke.

118 DECLARATIONS OF INTEREST

In respect of Minute 8(14) – Legal Alliance Framework Agreement – Councillor Wilkins declared that her two daughters worked in Chambers.

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

No questions were received.

**120 MINUTES OF THE EXECUTIVE, RESOURCES AND
CONTRACTS PDS COMMITTEE MEETING HELD ON 8
JANUARY 2020 (EXCLUDING EXEMPT ITEMS)**

The minutes of the meeting held on 8 January 2020, were agreed and signed as a correct record subject to the correction of a minor typing error.

121 MATTERS OUTSTANDING AND WORK PROGRAMME
Report CSD20029

The report set out matters outstanding from previous meetings and the proposed work plans for 2019/20 and 2020/21.

In response to a question, the Chairman confirmed that he had written to the Chief Executive regarding the 10% increase in his budget and had received a satisfactory explanation.

Members of the Committee welcomed the inclusion in the report of the proposed work plan for 2020/21 and suggested that all PDS Committees should have sight of proposed work plans for the next municipal year.

The Committee also noted that an update on the Growth Fund was currently included in the Capital Programme report and going forward would be linked to the Housing Strategy and Schemes which would be reported to Renewal, Recreation and Housing PDS.

Members noted that a more detailed report on the Council's property portfolio would be presented later in the year.

RESOLVED: That

- 1. Progress on matters outstanding from previous meetings be noted;**
- 2. The work programme for 2019/20 and the proposed work programme for 2020/21 be noted.**

122 FORWARD PLAN OF KEY DECISIONS

The Committee noted the Forward Plan of Key Decisions covering the period February 2020 to May 2020.

123 RESOURCES, COMMISSIONING AND CONTRACTS
MANAGEMENT PORTFOLIO - PRE-DECISION SCRUTINY

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

- a TREASURY MANAGEMENT - ANNUAL INVESTMENT**
STRATEGY AND QUARTER 3 PERFORMANCE 2019/20
Report FSD20026

The report summarised Treasury Management activity during the third quarter of 2019/20 and presented the Treasury Management Strategy and the Annual Investment Strategy for 2020/21, which were required by the CIPFA Code of

Practice for Treasury Management in the Public Services to be approved by the Council. The report also included prudential indicators and the MRP (Minimum Revenue Provision) Policy Statement, both of which require the approval of Council. For clarification, the Council was required by statute to agree and publish prudential indicators, primarily to confirm that the Council's capital expenditure plans were affordable and sustainable. Bromley did not borrow to finance its capital expenditure and, as a result, many of the indicators did not have any real relevance for the Council. The 2019/20 strategy was agreed by Council in February 2019 and no further changes were proposed at this time.

The Committee considered whether any consideration was given to the environmental policies of the organisations in which the Council invested. Members noted that it was clear that the Council invested in recognised investments such as banks and it was not always possible to know the full details of the environmental policies of these organisations. It was noted that it would be a significant piece of work to conduct the necessary due diligence in respect of environmental policies and the Council's current policy in respect of carbon emissions related to direct contractors. A Member also suggested that the market itself was doing a good job in terms of filtering out those companies that had a more negative impact on the environment.

The Vice-Chairman suggested that there should be further consideration of rationalising money market funds as it would be more cost effective to have one or two money market funds and it would be possible to achieve diversification through investing in one or two funds. It was agreed that following the meeting the Vice-Chairman and Director of Finance would discuss the options further and an update to the Committee in the next report.

RESOLVED: That the Portfolio Holder be recommended to

- 1. Note the report.**
- 2. Note the Treasury Management performance for the third quarter of 2019/20;**
- 3. Recommend that Council agrees to adopt the Treasury Management Statement and the Annual Investment Strategy for 2020/21 including the prudential indicators and the Minimum Revenue Provision (MRP) policy statement.**

124 PRE-DECISION SCRUTINY OF EXECUTIVE REPORTS

The Committee considered the following reports on the Part 1 agenda for the meeting of the Executive on 12 February 2020

**(6) 2020/21 COUNCIL TAX
Report FSD20022**

The report identified the final issues affecting the 2020/21 revenue budget and sought recommendations to the Council on the level of the Bromley element of the 2020/21 Council Tax and Adult Social Care precept. Confirmation of the final GLA precept would be reported to the Council meeting on 24th February 2020. The report also sought final approval of the 'schools budget'. The approach reflected in the report was for the Council to not only achieve a legal and financially balanced budget in 2020/21 but to have measures in place to deal with the medium term financial position (2021/22 to 2023/24).

The Director of Finance confirmed that the Council had received the provisional settlement for 2020/21 and it was not expected to change. Members noted however that there remained uncertainty around the settlement for future years.

The Committee also noted that the Dedicated Schools Grant for 2020/21 had been confirmed and considered at the meeting of the Children, Education and Families PDS Committee on 30 January 2020.

Members highlighted the importance of challenging and scrutinising contributions that were made through the London Boroughs Grants Committee. It was noted that the contributions were a legal requirement however, Members suggested that representations should be made regarding the requirement to contribute as the residents of Bromley did not directly benefit. It was agreed that there should be greater publicity of the availability of these grants amongst Residents' Associations and charitable organisations in the Borough in order to encourage them to apply.

The Vice-Chairman noted that Bromley was unique in that investment income provided a substantial level of income which made a big difference to the Council's financial position. The Vice-Chairman suggested that investment income should therefore be identified as a separate line item within the budget.

RESOLVED: That the Executive be recommended to recommend to Council that it

- 1. Approve the schools budget of £79.506m which matches the estimated level of Dedicated Schools Grant (DSG), after academy recoupment;**
- 2. Approve the draft revenue budgets for 2020/21;**
- 3. 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 15th January 2020;**

4. Approve a contingency sum of £12,622k;
5. Approve the following provisions for levies for inclusion in the budget for 2020/21;

	£'000
London Pension Fund Authority*	470
London Boroughs Grant Committee	248
Environment Agency (Flood defence etc.) *	258
Lee Valley Regional Park*	324
Total	1,300

* Provisional estimate at this stage

6. Notes the latest position on the GLA precept, which will be finalised in the overall Council Tax figure to be reported to full Council (see section 12);
 7. Considers the “Bromley element” of the Council Tax for 2020/21 to be recommended to the Council, including a general increase and the Adult Social Care Precept, having regard to possible ‘referendum’ issues;
 8. Approves the approach to reserves outlined by the Director of Finance;
 9. Notes that any decision on final council tax level will also require additional “technical” recommendations, to meet statutory requirements, which will be completed once the final outcome of levies are known at the full Council meeting;
 10. Agrees that the Director of Finance be authorised to report any further changes directly to Council on 24th February 2020.
- (7) **CAPITAL PROGRAMME MONITORING Q3 2019/20 AND CAPITAL STRATEGY 2020 TO 2024**
Report FSD20024

The report updated the Council’s Capital Strategy. It also summarised the current position on capital expenditure and receipts following the third quarter of 2019/20 and presented for approval the new capital schemes in the annual capital review process.

RESOLVED: That the Executive be recommended to

1. Note the report, including a total re-phasing of £13.6m from 2019/20 into future years, and agree a revised Capital Programme;
2. Approve the following amendments to the Capital Programme:

- (i) Increase of £3,141k to the capital programme for a Crystal Palace subway capital scheme,
- (ii) Increase of £115k to the Central Depot Wall Reconstruction, funded by the Infrastructure Investment Fund (earmarked reserve)– agreed by the Executive on January 15th 2020,
- (iii) Increase of £10k to the TfL Bus Priority Programme scheme, funded by a £10k contribution from the Royal Borough of Greenwich,
- (iv) Decrease of £1k to the capital programme to reflect the removal of the Manorfield – Temporary Accommodation scheme from the capital programme,
- (v) Increase of £232k to the Section 106 receipts from developers.

3. Recommend to Council the inclusion of the new scheme proposals listed in Appendix C in the Capital Programme.

**(14) LONDON BOROUGHS LEGAL ALLIANCE FRAMEWORK AGREEMENT FOR BARRISTERS
Report CSD20030**

The report sought authority to join the London Boroughs Legal Alliance (LBLA) - an alliance of over 20 London Boroughs including the London Fire Brigade - Framework Agreement for Barristers. The Council became a member of the LBLA in March 2019, with access to the Solicitors and Barristers Framework Agreements. The Barristers Framework had recently been re-tendered and the new Agreement commenced from 1 January 2020 and ended after a term of 3 years with the option to extend for a further 12 months.

In response to a question from the Chairman, the Head of Legal Services confirmed that in the event that specialist advice was required it would be possible to procure outside of the framework if the necessary specialist skills were not available through the framework.

Members noted that the framework encouraged a complaint procurement route. Within the framework barristers were banded according to experience and with a large number of barristers within the framework offering a range of skills and experience, the Council was not obliged to use the services of any one particular barrister.

Members agreed that going forward a bi-annual update on the performance of the contract should be provided to the Committee.

RESOLVED: That the Executive be recommended to

1. **Agree to join the new LBLA Framework Agreement for barristers for a period of 3 years with the option to extend for a further year.**
2. **In the event the LBLA framework is extended by a further year, delegate authority to the Director of Corporate Services to extend to extend access to the LBLA framework for a further year after the initial 3 year term.**

**(15) AUTHORITY TO ENTER INTO NEGOTIATIONS TO DISPOSE OF FORMER ADVENTURE KINGDOM BUILDING, BROMLEY CIVIC CENTRE TO CREATE A NEW NHS HEALTH AND WELL BEING CENTRE FOR BROMLEY
Report DRR19/062**

The Bromley CCG had formally requested that the Council consider disposing of the former Adventure Kingdom building to them, at market value, so that it could be redeveloped by the CCG for a new Bromley Town Centre Health and Well Being Centre.

The Committee requested that prior to the Executive taking a decision clarification be provided concerning whether any part of the Great Hall fell within the scope of the disposal.

The three Bromley Town Ward Members expressed support for the proposals which they noted would provide a welcome, long overdue addition to the town centre.

RESOLVED: that the Executive be recommended to agree to, in principle, dispose of the Adventure Kingdom site at market value to Bromley CCG and authorises the Assistant Director – Strategic Property to negotiate terms of sale with the CCG subject to a report being made to the Executive for final decision.

**(16) OPERATIONAL BUILDING MAINTENANCE BUDGETS AND PLANNED PROGRAMME 2020/21
Report CSD20032**

The report set out the proposed maintenance budgets and planned programme for 2020/21.

Noting that three items had been deferred as a result of emergency work, Members sought assurances that there was sufficient investment in building maintenance to ensure that assets were being kept in a good state of repair. It was agreed that the Committee should review the repair and maintenance reports of existing assets when the Property Portfolio was presented for review in the Autumn.

RESOLVED: That the Executive be recommended to

- 1. Approve an overall expenditure of £2.167m for the Building Maintenance budget in 2020/2021, subject to the Council agreeing the budget.**
- 2. Approve the planned programme in Appendix A of the report.**
- 3. Delegate authority to the Director of Housing, Planning, Property and 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.**

125 SCRUTINY OF THE CHIEF EXECUTIVE

The Chief Executive, Mr Ade Adetosoye, attended the meeting to respond to questions from the Committee. The Chief Executive had circulated a written update for the Committee as part of the agenda papers. Mr Adetosoye responded to questions, making the following comments –

- The Pension Fund recovery had been completed nine years early and as a result had delivered a significant saving to the Council.
- Over half of the Council's 89 Transformation Projects had now been populated with targets to support the headline information provided to Members. Moving into year two there would be a focus on key deliverables through the Transformation Board.
- It was agreed that it would be helpful for more Members to be sent links to relevant consultations undertaken across the Borough to enable Members to publicise and promote the consultations on social media. There would be work undertaken on the Member's intranet site to better facilitate this. It was also noted that the Communications Team did provide Members with links to consultations affecting their wards but it was recognised that more could be done.
- Consideration could be given to greater use of technology to facilitate public involvement in meetings – for example using Skype for public questions. This would also help support Council priorities around reducing carbon emissions.
- Bromley was doing excellent work in relation to hospital discharge and was receiving national recognition with the Chief Executive of NHS England due to visit Bromley to see the work being done.
- The refresh of the Building a Better Bromley priorities had been slightly delayed but should be back on track over the next few weeks. There was a clear direction of travel from the Leader and Cabinet and a meeting had taken place with the Council's statutory partners. The next step would be to consult with Members of the Council.
- The Public Health Nursing Contract had been awarded to Bromley Healthcare and would commence in the next few weeks.

- In terms of the monitoring of staff sickness, the Chief Executive confirmed that there was not generally a “culture of sickness” in Bromley and monitoring demonstrated that there were comparably low levels of sickness across the organisation. It was also suggested that the move to increased homeworking would also result in lower levels of sickness absence.
- An appointment to the position of Assistant Director of Integrated Commissioning had been made on 3rd February 2020 and pre-employment checks were being undertaken. An advertisement for the statutory post of Director of Children’s Services had been placed on 4th February 2020 and there had already been a good amount of interest in the post. Following advice from the Director of HR it had been agreed to postpone the recruitment of Director of Adult Social Care until April 2020.
- The national response to the global coronavirus emergency was being led by Public Health England. Locally, there had recently been a presentation to the Health and Wellbeing Board. The Committee noted that the statutory Director of Public Health would lead any local response if it became necessary to deliver the Public Health England Plan within the Borough. The key message from Public Health England was that there was no need to panic, plans were in place and the Local Authority was as prepared as it could be to support the response from Public Health England.
- In relation to test purchasing the sale of knives, the Chief Executive agreed to gather additional information from Trading Standards and provide an update following the meeting.

The Committee thanked the Chief Executive for his update and congratulated Officers on the planned savings resulting from the Transformation Programme as well as winning the Pensions Treasury and Asset Management award category of the Public Finance Awards.

126 SCRUTINY OF THE RESOURCES, COMMISSIONING AND CONTRACT MANAGEMENT EXECUTIVE ASSISTANT

The Executive Assistant to the Resources, Commissioning and Contract Management Portfolio, Councillor Kira Gabbert, attended the meeting to respond to questions from the Committee. The Executive Assistant had circulated a written update for the Committee as part of the agenda papers. Councillor Gabbert responded to questions, making the following comments –

- In respect of identifying potential sites, three separate site lists including the Borough’s Asset Register had been reviewed, and the lists had been condensed to 19 potential solar farm sites. There would need to be a process to enable review of any existing leases by the Council’s Legal Services prior to the technical analysis being taken forward.

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- To date there had been no consideration of collaborating with the Council's lessees however this could be taken forward, depending on terms of the leases which are to be advised following the review by the Council's Legal Services team. It was noted that all key stakeholders would be consulted as proposals were developed.
- There are considerable pockets of land across the Borough, however most of these are designated as the Green Belt. It would be necessary to carefully balance the benefits of green energy production against possible impact on the Green Belt as part of the planning application process.

Members suggested that further consideration could be given to the possibilities around installing solar panels on Council buildings. The Local Authority could also take a lead in promoting amongst residents the ease of solar panel installation as the rates of return on solar energy made it an attractive option. It was suggested that further guidance for residents could be made available on the Council's website. Members noted that a new generation of solar panels was in development and these new panels were less obtrusive and visible than first generation solar panels making them a more attractive option for home owners.

The Committee thanked the Executive Assistant for her update.

127 RISK MANAGEMENT

Report FSD20012

The report provided Members of the Executive, Resources and Contracts Policy, Development and Scrutiny Committee with the Gross 'High' (Red) rated risks from the Corporate Services, Finance and, Human Resources and Customer Services Risk Registers.

RESOLVED: That the report be noted.

128 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**

**129 EXEMPT MINUTES OF THE MEETING HELD ON 8 JANUARY
2020**

Noting that the contract that was the subject of the Part 2 minutes had been awarded the Committee agreed that the exemption should now be lifted and the minutes signed and published on the website.

The Meeting ended at 8.19 pm

Chairman