

EXECUTIVE, RESOURCES AND CONTRACTS POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

Minutes of the meeting held at 7.00 pm on 25 March 2024

Present:

Councillor Simon Fawthrop (Chairman)
Councillor Robert Evans (Vice-Chairman)
Councillors Jeremy Adams, Mark Brock,
David Cartwright QFSM, Kira Gabbert, Adam Jude Grant,
Julie Ireland, Simon Jeal, Ruth McGregor, Tony Owen,
Shaun Slator, Mark Smith, Melanie Stevens and
Michael Tickner

Also Present:

Councillor Colin Smith, Leader of the Council (attended virtually)
Councillor Jonathan Andrews
Councillor Angela Page (attended virtually)

87 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

Apologies for lateness were received from Councillor Adams and Councillor Tickner.

88 DECLARATIONS OF INTEREST

The Chairman reported that he had received some basic hospitality at a previous function hosted by Biggin Hill Airport Ltd (the same declaration had been made at previous meetings). There were no additional declarations of interest.

89 QUESTIONS FROM COUNCILLORS AND MEMBERS OF THE PUBLIC ATTENDING THE MEETING

One written question was received and is attached at Appendix A.

90 MINUTES OF THE EXECUTIVE, RESOURCES AND CONTRACTS PDS COMMITTEE MEETING HELD ON 5 FEBRUARY 2024 (EXCLUDING EXEMPT ITEMS)

A Member highlighted that in respect of Minute 80A (Council Tax – Second Homes Premium), the point had been made that the projected income table took no account of homes being occupied. It was requested that the point be noted.

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The minutes of the Executive, Resources and Contracts PDS Committee meeting held on 5 February 2024 (excluding exempt information), were agreed and signed as a correct record, subject to the amendment outlined above.

91 MATTERS OUTSTANDING AND WORK PROGRAMME Report CSD24035

The report dealt with the Committee's business management including matters outstanding from previous meetings and the proposed work plan for the 2024/2025 Municipal Year.

Members recommended that in the 2024/25 Municipal Year the Committee receive reports on the following issues:

- Contracts Management (to be scheduled in September).
- Expenditure on Consultants and Contractors (to include details on the Matrix system).

RESOLVED: That the report be noted.

92 FORWARD PLAN OF KEY DECISIONS

The Committee noted the Forward Plan of Key Decisions covering the period February 2024 to May 2024.

93 SCRUTINY OF THE CHIEF EXECUTIVE

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

- In relation to the Transformation Programme, the Chief Executive was confident that the transformation actions identified would deliver savings. In terms of policy formulation, any identified savings would be presented to PDS Committees in the September meeting cycle and would be scrutinised by Members at that point. Committees would continue to receive the usual quarterly budget monitoring reports which would set out any in-year savings and mitigation identified. The Chief Executive confirmed that he would take steps to ensure that that the Forward Plan of Key Decisions reflected any decisions that needed to be taken as part of the Transformation Programme.
- The Chief Executive highlighted that the Council's Contract and Financial Procedure Rules were very clear about not allowing delegated authority for spending outside the budget. Consequently, any growth items would be identified and reported to Members for scrutiny and decision.

- The Council currently had a blended approach to contract management with contract managers often undertaking a number of other roles. Any moves toward a more centralised approach to contract management would need to be carefully considered as it would inevitably consume a greater proportion of time.
- In relation to the implementation of the new audit standards, the legal status remained unclear, and staff were currently waiting for CIPFA to provide advice. There were a few recommendations that would have significant implications for local government.
- Plans for the move to the new Civic Offices at Churchill Court remained on-track in terms of timeframe and budget. Oversight of the project was very tight, and the plan remained to move into the new offices in September 2024.
- Progress continued to be made in terms of developing the Digital Strategy. Once the move to the new civic offices had been completed there would be a focus on digital inclusion, with free sessions being run for residents.
- In relation to the budget, there were unprecedented challenges facing the Council over the next three years. There remained a duty for Members to balance the budget and a duty for Officers to present options for balancing the budget. The options that would be presented in the next three years would reflect the scale of the challenges and would bear no similarity to options presented in the past. It would be for Members to choose whether or not they took the options being presented. In terms of managing demand going forward, there would need to be a robust review of what could and what should be done differently going forward.
- In terms of succession planning, the Chief Executive provided assurances that there was an internal capacity risk assessment and efforts were made to ensure that knowledge was transferred.
- There were a few key posts where there continued to be recruitment challenges, and these were monitored by the Recruitment and Retention Board. There were challenges around securing permanent staff in some services however, only Directors could sign off on the use of consultants, and where consultants were employed there had to be a clear rationale.
- There was more to be done in terms of "grow your own" and work on this would continue.
- In terms of funding for statutory services, the challenges facing the nation as a whole were growing. Lobbying continued at all levels as the fundamental issue was that levels of funding from central government did not reflect rising demand. Only time would tell whether the continued lobbying would result in increased funding.
- Work around the Council's approach to free speech continued under the leadership of the Director of HR and the Director of Corporate Services and Governance.

The Committee thanked the Chief Executive for his informative and helpful update.

94 PRE-DECISION SCRUTINY OF EXECUTIVE REPORTS

The Committee considered the following reports on the Part 1 agenda for the meeting of the Executive on 27 March 2024:

(5) BUDGET MONITORING 2023/24 Report FSD24027

The report provided the third budget monitoring position for 2023/24 based on expenditure and activity levels up to the end of December 2024. The report also highlighted any significant variations which would impact on future years as well as any early warnings that could impact on the final year end position.

In response to a question, the Director of Finance noted that the Transformation Programme had been in place for quite a while. Future budget monitoring reports would make more explicit reference to mitigation savings and instances where transformation savings had not been achieved. Concerns remained around the scale of growth, and this would need to be monitored closely.

Statutory services continued to pose challenges and lobbying continued at all levels. If pressures continued there would be no flexibility to balance the budget.

RESOLVED: That Executive be recommended to:

- 1. Consider the latest financial position.**
- 2. Note that a projected net overspend on services of £14,206k is forecast based on information as at December 2023.**
- 3. Note the comments from Chief Officers detailed in Appendix 2.**
- 4. Note the projected reduction to the General Fund balance of £147k as detailed in section 3.3 of the report.**
- 5. Note the full year cost pressures of £21.1m as detailed in section 3.4 of the report.**
- 6. Agree the release of funding from the 2023/24 central contingency as detailed in paragraphs 3.2.2 to 3.2.5 of the report.**
- 7. Agree the set aside of £2.2m into an earmarked reserve to support the revenue budget for 2025/26 as detailed in section 3.8 of the report.**

- 8. Note the issues regarding the Community Equipment contract as detailed in paragraph 3.9 and in Part 2 of this report.**
- 9. Identify any issues that should be referred to individual Portfolio Holders for further action.**
- 10. Approve additional funding DSG funding of £470k to strengthen early support for Speech and Language services in key local schools, which will for early identification and intervention for a trial period of one year. This investment is expected to generate greater savings (in excess of £470k) to reduce the DSG Deficit.**

To note that the outcome of the additional investment will be reported back to members in considering options for ongoing funding.

**(6) SECOND HOMES PREMIUM
Report FSD24030**

The report set out a proposal that a Second Home Premium was introduced from April 2025.

Members requested that the following details be circulated after the meeting:

1. A breakdown of the £6k+ cost of the consultation.
2. Confirmation of whether the Empty Homes Premium would be increasing (in line with the changes introduced by government) alongside the introduction of the Second Homes Premium.

RESOLVED: That the Executive be recommended to

- 1. Consider the responses to the public consultation exercise at Appendix 1 of the report.**
- 2. Consider the Equality Impact Assessment.**
- 1. Approve the introduction of the 100% Second Home Premium from April 2025.**

(12) BIGGIN HILL UPDATE

At the meeting of the Executive on 8 February 2023, officers, in consultation with the Portfolio Holder for Resources, Commissioning and Contract Management, were authorised to work with Biggin Hill Airport Limited (BHAL) regarding the Noise Action Plan (NAP), with the objective of agreeing measures to improve the situation for residents under the flightpath.

An update was provided back to the Executive on 20 September 2023 which noted that correspondence with BHAL was ongoing. It was agreed that a

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further update would be provided back to the Executive after six months in 2024 and that if no substantive progress had been made by this point, alternative options for progressing matters would be reported.

In opening the discussion, the Chairman commended Officers on the work that had been undertaken and the quality of the report. The Chairman noted that, on the whole, the report had been received positively by residents.

The Chairman noted that Biggin Hill Airport Limited (BHAL) had previously been invited to attend the committee and the invitation had been declined. Representatives of BHAL could be invited again and in the interests of balance representatives from Flightpath Watch would also be invited.

In response to questions, the Airport Monitoring Officer explained that Appendix 1 to the report set out areas where there had been significant progress as a result of the negotiations, some areas where there was much more work to be done and other areas where the position had moved on and there was nothing further that could be done or work was ongoing and would remain ongoing. It was agreed that a revised table, providing details of how many of the original NAP actions had been completed, should be circulated to Members following the meeting.

The Committee also noted that the intention was that any fines for infringements of the rules around aircraft noise would form a fund administered by LBB for projects under the flightpath.

In response to a question around whether the minutes of the Airport Consultative Committee were published in a timely manner, the Airport Monitoring Officer confirmed that reports were published online with minutes being published once approved at the following meeting.

Visiting Member, Councillor Jonathan Andrews, ward councillor for Darwin Ward addressed the Committee and noted that residents across Darwin ward had raised concerns around issues such as excessive noise and pollution. It was emphasised that these were issues that residents took seriously, although it had appeared that the most recent committee report had been received positively. It was important that the Council, as landlord, got the NAP right and there was a need to reflect and address the concerns of residents. There was support for the proposal that if BHAL exceeded 50,000 movement without the NAP review being completed the Council would take legal action. It was felt that this was an example of the strong stance that was needed. The Ward Member also suggested that it would be helpful to have a new NAP document setting out clear expectations.

Members of the Committee noted that whilst the report was excellent, it felt as if the Committee was going round in circles. When the issue was last debated at Committee a long stop end date of the end of 2023 had been agreed. This date had long since passed with no progress being made on the revised Noise Action Plan (NAP) and no indication of when a revised NAP would be presented to Committee. Residents were keen to see a revised NAP in place

and it was suggested that the time had come to implement a timeframe for progress as residents wanted to see consequences for the ongoing prevarication.

Another Member noted that they had spoken on the Biggin Hill issue many times in the Council Chamber and they felt that BHAL had been consistently non-co-operative. Councillors wanted local businesses to do well, but the effect of the airport on the lives of many local residents could not be ignored. The Council was keen to work alongside BHAL to ensure they had a successful business whilst also ensuring that residents were not inconvenienced. The Member noted that Appendix 1 to the report seemed to show 20 pages of actions that had not been completed. The Member felt that this highlighted how BHAL had conducted itself. The Member welcomed the tougher stance that was being taken by the Council and paid tribute to the many local residents who had maintained pressure on BHAL suggesting that there was a need to ensure this pressure was maintained.

Another Member highlighted that, with respect to issues around pollution, BHAL were trialling an air quality monitoring system. It was noted that BHAL had worked hard at getting the most recent review of the NAP right.

In drawing the debate to a close, the Chairman noted that it was confusing to have three separate documents and at the conclusion of the review process the Council should look to have all three documents cross-referenced in one place along with a list of obligations under the lease.

The Committee endorsed the recommendations set out in the report to Executive and agreed the additional resolutions as follows:

1. Representatives from BHAL and Flightpath Watch should be invited to address the Executive Resources and Contracts PDS Committee at the earliest opportunity. BHAL should be asked to outline their position on the reasons for not accepting the requirements the Council for completing the NAP review.
2. Officers should be requested to provide an interim report and action plan setting out the alternative options for progressing matters in the absence of an agreement between the Council and BHAL by the June meeting of the Executive with a full report on the progress of negotiations in September 2024.
3. The Council should work with BHAL to combine the terms of the Lease, NAP and the Management Information Letter (MIL) into a single clear document, or alternatively cross-reference these documents in one place alongside a list of obligations of each party.

RESOLVED: That

1. **Representatives from BHAL and Flightpath Watch should be invited to address the Executive Resources and Contracts PDS Committee at the earliest opportunity. BHAL should be asked to outline their**

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position on the reasons for not accepting the requirements the Council for completing the NAP review.

- 2. Officers should be requested to provide an interim report and action plan setting out the alternative options for progressing matters in the absence of an agreement between the Council and BHAL by the June meeting of the Executive with a full report on the progress of negotiations in September 2024.**
- 3. The Council should work with BHAL to combine the terms of the Lease, NAP and the Management Information Letter (MIL) into a single clear document, or alternatively cross-reference these documents in one place alongside a list of obligations of each party.**
- 4. Executive be recommended to agree the recommendations in the report as follows:**
 - a) Note that BHAL are expected to shortly submit a revised proposal for an alternative instrument approach to runway 03 to the Civil Aviation Authority (CAA), which would be understood to have noise reduction benefits for residents under the flightpath.**
 - b) Note the progress that BHAL have made towards a NAP review and that an assessment has been made of this progress and remaining requirements for completing the NAP review.**
 - c) Note that a series of meetings were held between the Council and BHAL but that no agreement was reached between the two parties, although the option for further meetings remains open.**
 - d) Note that following the meetings with BHAL, the Council has written to BHAL to reiterate the Council's requirements for completing the NAP review. The Council outlined that the NAP review is not considered to be complete without meeting these requirements and that while the NAP review is incomplete, the 50,000 aircraft movements cap remains in force at the airport.**
 - e) Agree that if BHAL exceed 50,000 movements without the NAP review being complete, the Council will take legal action to protect the Council's position and in support of residents, as detailed in Part 2.**

(13) OPR AWARD OF CONTRACTS FOR MULTIDISCIPLINARY SERVICES

In November 2023 the Executive approved the procurement of further design led multidisciplinary consultancy services to support the delivery of the OPR Programme.

This report sought approval to award a consultancy services contract to the successful bidders following the tender process.

This report also provided an update on the progress of the surface car parks workstream.

The Committee noted that once the programme of works had been confirmed (by late Spring), details of works could be sent to Ward Councillors to enable them to provide details to any local residents affected by the works.

RESOLVED: That Executive be recommended to

- 1. Note the contents of this report.**
- 2. Approve the award of a Multidisciplinary Consultancy Services Contract for the OPR Programme to the successful bidders as detailed in Part Two of this report.**

95 POLICY DEVELOPMENT AND OTHER ITEMS

**A ANNUAL PDS REPORT 2023/24
Report CSD24040**

The Committee noted the Annual Policy Development and Scrutiny Report for 2023/24. Any further comments and amendments would be incorporated by Democratic Services prior to submission to Full Council on 8th July 2024.

It was noted that the report from the Chairman of the Environment and Community Services PDS Committee would be circulated when available.

RESOLVED: That the Annual Policy Development and Scrutiny Report be approved for submission to Full Council.

**96 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

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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**

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

The Committee considered the following reports on the Part 2 agenda for the meeting of the Executive on 27 March 2024:

(19) PART 2: BUDGET MONITORING 2023/24

Executive be recommended to note the Part 2 information.

(22) PART 2 BIGGIN HILL UPDATE

Executive be recommended to note the Part 2 information.

**(23) PART 2: OPR AWARD OF CONTRACTS FOR
MULTIDISCIPLINARY SERVICES**

Executive be recommended to consider the report and approve the recommendations

The Meeting ended at 10.17 pm

Chairman