



## **MINUTES OF THE RESOURCES AND PUBLIC REALM SCRUTINY COMMITTEE**

### **Monday 16 July 2018 at 6.00 pm**

PRESENT: Councillor Kelcher (Chair), Councillor and Councillors Nerva, Gill, S Butt, Gbajumo, Kabir and Mashari

Also Present: Councillors Butt and McLennan

#### **1. Apologies for absence and clarification of alternate members**

Apologies were submitted by Councillor Kansagra.

#### **2. Declarations of interests**

There were no declarations of interest.

#### **3. Deputations**

No deputations were submitted.

#### **4. Brent Priorities 2019 onwards**

Councillor M Butt (Leader of the Council) introduced the report, explaining that the borough priorities would be based on the commitments made within the Brent Labour Manifesto. The Borough Plan was currently being developed and consultation on the Plan would commence in October 2018. Work was underway to detail how the priorities would be met, taking into consideration the financial challenges facing the council over the next four years and ensuring the council was poised to exploit any opportunities that arose. Councillor M Butt welcomed questions from the committee, noting that Carolyn Downs (Chief Executive) was also in attendance to help address members' queries.

The Chair thanked the Leader for his introduction. Members subsequently queried how the council planned for wider political and economic changes and questioned how often the risk register was updated. Discussing the financial pressures that would be faced by the council, members questioned whether any council services would be protected from future savings proposals. Queries were raised regarding the council's planning for Britain's exit from the European Union (Brexit) and whether the council would be producing any further documentation on the impact of Brexit on the borough. It was highlighted that a number of organisations had undertaken significant modelling around Brexit, including the LGA, and members questioned whether Brent would be undertaking similar detailed analysis.

The committee queried how the council would use the Borough of Culture status, both during the year and as a legacy for the borough, particularly with respect to improving community cohesion and outreach. The committee then raised queries regarding allocation of Community Infrastructure Levy (CIL) monies, including the council's funding of the development of the pedway (pedestrian walk way) leading

to Wembley Stadium. It was noted that other boroughs were known to use CIL funding to improve streets and roads and it was queried whether Brent would consider pursuing a similar approach.

A member questioned how radical and assertive the council could be in seeking to achieve environmental improvements for Brent. The committee was particularly keen to hear how the council would tackle poor air quality and it was noted that at least one Brent school was included in the Mayor of London's list of the 50 worst schools for air quality. The committee questioned whether the council would be willing to consider all potential measures, including for instance, road closures. Clarity was sought on whether the council would deliver against manifesto commitments if they proved unpopular during consultation and members sought details of how the council measured progress against these commitments. The committee questioned the contribution of partner organisations in meeting the borough priorities and discussed the role of scrutiny in pushing for a more joined-up approach.

Responding to the queries raised, Councillor M Butt confirmed that budget planning included risk analysis and noted that the council also maintained the corporate risk register which was frequently reviewed by the Audit Committee. The risk register detailed risks associated with the work of the entire council. It also included risks associated with external factors that could impact the council and identified mitigating actions. Carolyn Downs explained that in drawing up the council's budget the worst case scenario was planned for. Whilst it was hoped that a more acceptable outcome would be achieved, the council would be prepared for the alternative. Councillor McLennan emphasised that the Cabinet received regular financial performance reports detailing the council's performance against local and national objectives. Work was underway to make those objectives smarter and more outcome focussed. Councillor M Butt stated that he felt it was prudent to consider all budget proposals and if there were service areas that members felt should be protected, they could be discounted at that stage of discussion. It was important to review every aspect of council services, to understand how those services were delivered and to understand the outcomes for residents. Addressing members' queries regarding planning for Brexit, Councillor M Butt confirmed that the council would review modelling undertaken by other organisations but it would not be prudent to take any action until more information was known about the final deal to be reached by the Government. Furthermore, the council would also need to take into account London-wide and regional responses.

Councillor M Butt advised that the delivery of Borough of Culture events had already commenced, with the council hosting a screening of the World Cup Final In King Edward VII Park which attracted almost 400 people. The atmosphere had been very positive and different communities had come together to enjoy the event. In September, a consultation exercise would be held with residents and community groups to identify what kind of events and programmes they would like to see as part of Brent's year as Borough of Culture. Artistic Directors had also been employed by the council to help shape the Borough of Culture offer. Carolyn Downs added that a community fund of £500k, drawn from Borough of Culture funding, would be available for residents and community groups to bid for throughout the year. Addressing the legacy of the Borough of Culture, Carolyn Downs highlighted the council's ongoing initiative to provide free community space to community groups and the development of comprehensive arts curriculum in Brent's schools.

In addition, all new developments being delivered as part of regeneration projects within the borough, were required to provide work space for community groups, artists and the creative industry.

With regard to the allocation of CIL funding, Councillor M Butt confirmed that the council did use some of these funds towards improving Brent's streets and roads. Carolyn Downs advised that Ealing Council indicated for each development the level of CIL that should be directed to improvement works in those areas. A report would be prepared to demonstrate the level of CIL monies used to fund improvements in Brent. The council's contribution to the pedway was in the region of £10million, with other funds directed to improving the section of Olympic Way closer to Wembley Park Station. If Wembley Stadium were to pass into private ownership, the council would seek a significant contribution from the new owners to the improvement works undertaken.

Councillor M Butt advised that the council worked proactively to tackle environmental issues to achieve positive outcomes for Brent residents. It was emphasised that all options would be considered but a structured programme of communication and engagement was necessary as not all such measures would be popular. It was acknowledged that Brent Labour had been given a strong mandate by the electorate to deliver its manifesto but Councillor M Butt emphasised that good engagement and consultation were necessary to identify local concerns and issues and to this end, a residents' survey would be conducted to feed into the development of the Borough Plan. Carolyn Downs advised that resources still had to be aligned with the commitments made in the Brent Labour manifesto and there would be some pledges that it may not be possible to meet. It was confirmed that there would be full transparency around any such discussions. Addressing the contribution of Brent's partners Councillor M Butt and Carolyn Downs advised that they were struggling with budget reductions and welcomed a focus on this matter by Scrutiny. The impact on the community and voluntary sector was also highlighted, with Councillor M M Butt noting that they were increasingly being asked to do more with less.

Outlining the work of the council to deliver environmental improvements, Councillor M Butt advised that the council continued to work with schools to ensure that travel plans were in place to encourage parents to use alternative means of travel and this was supported by enforcement work to prevent cars idling in surrounding areas. The committee further heard that Brent Labour had pledged in its manifesto to double the number of trees planted by the council and to increase the number of electric charging points in the borough. The council continued to work with TfL to reduce the use of diesel buses, particularly around the low emissions zone. Other actions taken by the council included supporting the cycle to work scheme, the introduction of a user friendly car hire scheme for the borough, encouraging developers to create car free developments where appropriate by ensuring the provision of local services to negate the need for the use of cars. Councillor M Butt added that the council was also conscious of the study funded by Public Health England and carried out in collaboration with the UK Health Forum and Imperial College London. This study calculated the health and social care costs of air pollution and was Councillor M Butt confirmed that the findings of this would be considered alongside the Brent Labour manifesto pledges. Councillor M Butt further advised that it was important to work with residents to ensure individual ownership

of environmental issues and highlighted that a Clean Air Day for Brent had recently been held on 21 June 2018.

During the discussion the committee requested a detailed breakdown of Brent's levels of air pollution and how this intersects with the location of Brent's schools. Councillor M Butt agreed that officers would provide the requested information following the meeting.

RESOLVED: that the report from the Director of Performance, Policy and Partnerships be noted.

**5. Assets and Property Overview & Strategy Brief (2019-2023) 'Making property assets work for Brent'**

At the invitation of the Chair, Councillor McLennan (Deputy Leader) introduced the report outlining the council's property assets and focus areas for the new Property Strategy being developed for 2020. In doing so, Councillor McLennan advised that she had taken over responsibility for this portfolio area at the start of the new administration in May 2018. Councillor Butt, the previous portfolio holder was also present to address any questions as necessary, alongside Althea Loderick (Strategic Director, Resources) and Oliver Judges (Interim Director of Assets and Property). Councillor McLennan emphasised that the Strategy would address how the council's assets would be employed to the benefit of the council through cost reduction, income generation and value generation.

In the subsequent discussion, Members welcomed the strategic approach described and sought further detail regarding the process of property valuation and frequency of review. The committee advised that transparency was needed with regard to the provision rental subsidy for council assets and the associated decision-making process and sought confirmation of how often these arrangements were reviewed. Members sought assurance that assets would not be sold off en masse and questioned how the council's property portfolio compared with those of other authorities. It was further queried how the council's asset management strategy aligned with the One Public Estate initiative. A member proposed that organisations in receipt of a rental subsidy be advised of the level of discount provided in their monthly bill in order to highlight the council's contribution to social value. It was further commented that the council should promote more widely the support it continues to offer the community and voluntary sector, even during times of austerity, via the provision of rental subsidies and suggested that this contribution should be quantified.

With reference to the table of council assets previously provided to the committee at its meeting in February 2018, the committee stated that for each asset the council should detail the commercial value, strategic value, rental value, lease expiry date and other relevant information and issues that would complicate usage or disposal. The committee sought confirmation of the timescales for completing this work. Members questioned the options appraisal process for vacant or underutilised assets and queried whether councillors' feedback would be taken into consideration within the broader assets review. The committee sought comment on the usage of space within the Civic Centre and the provision of space for start-ups and small and medium sized enterprises (SME).

In response to the queries raised, Oliver Judges advised that in line with standard practice in local authorities, Brent Council conducted a mixture of desktop valuations and externally procured valuations. Where the options of disposal or development were considered, an external valuation would always be sought to ensure the council maximised value. Councillor Butt emphasised that many of the decisions to offer properties on a subsidised rental basis had been taken a number of years ago and the assessments of social value had been undertaken on a case by case basis.

Oliver Judges advised that the council had clear priorities to meet with regard to managing its asset portfolio and confirmed that in doing so, there would be occasions where disposal was the most appropriate option, for instance it might be necessary to adjust the council's investment portfolio to maximise return and yield. The committee heard that the council worked closely with the One Public Estate programme to identify opportunities for Brent and Carolyn Downs advised that there was good cooperation with health partners in this regard. Oliver Judges explained that it was difficult to compare Brent's property portfolio with other local authorities but broadly Brent was doing well, though had held many of the assets for quite a long time. Oliver Judges confirmed that it would not be economical to outsource the management of a smaller investment portfolio. Althea Loderick advised that the employment model in a council was different to that of a commercial company but there were clear expectations of employees and procedures in place to address performance issues. The council was however, pursuing a company structure where it was felt to be beneficial to the council, for example with the establishment of I4B.

Oliver Judges advised that officers were currently reviewing all of the data on Brent's property assets and identifying how better management information could be accessed to improve decision making going forward. It was intended that this review work would be completed by the end of the current year. Councillor McLennan advised that in reviewing the council's assets, the strategic value of each property would be assessed including the social value provided by groups in receipt of a rental subsidy. The council would work to support these community groups to maximise social value and work in partnership to achieve positive outcomes. Oliver Judges confirmed that if a property were to be made vacant an options appraisal would be carried out to determine the most appropriate course of action. Possible outcomes of such an appraisal could include disposal, regeneration and alternative usage. Councillor McLennan confirmed that as lead member she would be consulted if there were to be any controversial proposals for a particular asset and, acknowledging members insight and knowledge of local issues, welcomed input from other councillors to the review of the council's property assets.

Althea Loderick advised that space in the Brent Civic Centre was rented to a number of organisations and it was currently used to capacity. Consideration was being given to remodelling certain areas of the building to be able to make more space available. Carolyn Downs advised that a report was due to be submitted to Cabinet in the near future regarding the provision of work space across the borough for small organisations or start-up businesses.

RESOLVED:

- i) That the Strategic Director Resources ensure that the following information is provided to the committee:
  - an updated table of Brent's property assets (previously submitted to the committee at its meeting in February 2018) to include: all associated property values; income generated; lease expiry dates; how each property meets Brent's strategic objectives, including a column showing social value; and, highlighting properties to which it would be difficult to make changes to existing usage, for example due to the terms on which a lease has been granted to a tenant;
  - Details of the rolling timetable for undertaking property valuations of Brent's property assets and the methodology for calculating values of Brent's property assets, including the circumstances in which external valuations were sought.
- ii) That the Strategic Director of Resources and the Deputy Leader feedback to the committee on the viability of the suggestion that the billing for all Brent's properties let at a discounted rate, list the commercial value as well as the discounted value to illustrate the level of support provided by the council.
- iii) That the Strategic Director of Resources arrange for an article to be included in the next Brent Magazine on the council's contribution to social value in the borough.
- iv) That the Strategic Director of Resources ensure that the support offered by the council in the form of rental subsidy to the voluntary and community sector is quantified and publically promoted.

The meeting closed at 7.30 pm

M KELCHER  
Chair