



**MINUTES OF THE RESOURCES AND PUBLIC REALM SCRUTINY COMMITTEE
Held in the Conference Hall, Brent Civic Centre on Thursday 26 October 2023
at 6.00 pm**

PRESENT: Councillor Conneely (Chair), Councillor Long (Vice-Chair) and Councillors Akram, Ahmadi Moghaddam, S Butt, Fraser, Georgiou and J.Patel.

Also Present: Councillor Tatler (Deputy Leader, Cabinet Member for Finance, Resources & Reform and Cabinet Member for Regeneration, Planning & Growth) and Councillor Lorber.

1. Apologies for absence and clarification of alternate members

Apologies were received from Councillors Aden, Miller and Shah with Councillor Fraser in attendance as an alternate member for Councillor Shah.

2. Declarations of interests

Councillor Georgiou declared a personal interest as one of the Councillors who had signed the Call In request.

Councillor Lorber (in representing the members who had called-in the decision due to be considered at the meeting) declared a personal interest as a member of the Friends of Barham Park Group and Director and Trustee of Barham Community Library.

No other interests were declared at the meeting.

3. Call-In: Barham Park Trust Committee – Barham Park Trust Annual Report & Accounts 2022-23

In opening the item, the Chair advised that the meeting had been arranged, in accordance with Standing Order 14, to consider a call-in submitted by five members of the Council in relation to a decision made by the Barham Park Trust Committee (established as a Cabinet Committee) on 26 September 2023 to approve the Barham Park Trust Annual Report and Accounts for 2022 – 23.

In considering the call-in the Chair reminded the Committee that lines of questioning must remain specifically within the remit of the call-in and that issues raised on anything wider than the Barham Park Trust Annual Report and Accounts for 2022-23 would not be valid and would be ruled out for consideration.

Having clarified the basis of the call-in, the Chair then proceeded to invite Councillor Lorber to outline the reasons for the call-in as representative of the members who had supported its submission.

In presenting the call-in, Councillor Lorber highlighted the following key issues for the Committee:

- As the Barham Park Trust had charity status, it was felt that the Council should ensure that it was managed responsibly and effectively, however Members who submitted the call-in had reservations about the Council's position as effective Trustees due to concerns that the accounts were not accurate.
- It was queried why the original accounts had been withdrawn when originally submitted for consideration at the Barham Park Trust Committee meeting on 5th September 2023 and had then been re-submitted on a different template for the subsequent Committee meeting on 26 September 2023.
- It was felt that the change from the accounts being produced on an accruals basis to a receivable basis had created ambiguity in being able to accurately compare the previous year's accounts.
- Concern was raised in relation to an error which it was felt had been made on the 2022/23 accounts in relation to the received income figure stated, which it was not felt had accurately reflected rental payments from tenant organisations such as Barham Community Library with clarity therefore required on the way that income had been accounted for and included within the final accounts.
- It was felt that the assets for the Barham Park Trust had been understated by approximately £100k as the result of rent reviews not taking place. It was therefore queried why the trust had failed to implement rent reviews.
- Concern was also raised in relation to the fees charged for the recent the architectural survey of the Barham Park buildings which had been incurred by the Trust when it had previously been agreed these would be covered by the Council.
- On the basis of the concerns raised and pending a response on the areas identified for further clarification the members who had called-in the Trust Committee decision felt the accounts could not be treated as final and therefore needed to be reviewed and reconsidered in advance of any submission to the Charity Commission.

The Chair thanked Councillor Lorber for presenting the call-in and then proceeded to invite Councillor Tatler, Deputy Leader, Cabinet Member for Finance, Resources & Reform and Cabinet Member for Regeneration, Planning & Growth to respond to the matters raised within the call-in.

Councillor Tatler began by advising that she was attending to respond to the call-in as Vice-Chair of the Barham Park Trust Committee and started her response by thanking officers for their hard work, professionalism and expertise in producing the accounts, before highlighting the following key points:

- The Committee was advised that the accounts had initially been withdrawn from consideration at the 5 September 2023 Barham Park Trust Committee as they had been produced on an out of date template. It was therefore felt to be appropriate to resubmit the accounts in the correct format and revised template at a subsequent meeting, which had been held on 26 September 2023.
- The revised report template introduced a clearer presentation of the accounts, that was considered to provide more clarity on Trust activities and be in a more easily digestible format.

- It was acknowledged that the revised template saw the accounts produced on a receipts and payments basis as opposed to the previous accruals based template, therefore comparing like for like was more challenging this year; however from next year it would be easier to compare the accounts with the established template.
- The change in template had no effect on the Trust's financial position or resources and the Charity Commission had not raised any concerns as a result of the issue having been raised with them.
- Following an Independent Examination of the accounts, in accordance with the regulations set out by the Charity Commission, there were no areas of concern identified.
- In view of the concerns raised in advance of the call-in, the Chief Executive had commissioned an additional high-level consultancy based review to assess the accuracy of the Barham Park Trust accounts for 2022/23 which was due to conclude in November 2023.
- It was felt important to highlight that the concerns raised were in relation to the presentation of the accounts and were not concerns with operational matters.

The Chair thanked Councillor Tatler for her comments and invited the Committee to ask Councillor Lorber any further questions or clarifying points they had in relation to the information heard. The Committee queried why the change in presentation from an accrual basis to receipts and payments was of high concern. In response, Councillor Lorber advised that the change in the presentation of the accounts did not allow equal comparison to be undertaken year on year. Additionally, it was felt that the income reported was not accurate in terms of the way rental payments from tenants in the Barham Park building had been reflected within the accounts which had led to concerns relating to their completeness and accuracy.

The Chair thanked Councillor Lorber for his response and invited Committee Members to ask officers any clarifying queries they had. The following points were discussed:

- Following a Committee question regarding the change in the accounts template, officers re-iterated that the correct template from the Charity Commission had been used, the presentational change made no material impact on the overall finances of the Trust and the revised template would support increased comparability and transparency going forward.
- The Committee questioned what more could have been done to demonstrate the comparisons this year against last year's accounts, considering the introduction of the revised template. In response the Committee was advised that a narrative report had been included to explain the main differences, however it was acknowledged that the narrative could have been expanded on.
- It was clarified that the Charity Commission had not raised any concerns in relation to the change in template being used.
- It was clarified that the consultancy review commissioned by the Chief Executive would investigate the concerns relating to the accuracy of the accounts, additional queries raised by the Committee would not form part of the review.
- The Committee queried with officers if they were confident that the income figure stated on the accounts was correct, given the combined value of rental

income and income generated from the Barham Park Funfair. Officers provided an assurance that the figures reflected the transactions in the financial year 2022/23.

- Following concerns raised around the architect fees charged to the Trust for the architectural survey of the Barham Park buildings to inform the ongoing strategic property review, officers advised that whilst the intention reported to the Barham Park Trust Committee on 27 January 2022 had been for these to have been met from the Council's Capital Programme this had not been possible to achieve. The fees had therefore been charged to the Trust.
- The Committee queried if the revised template changed the way that rental arrears were presented with officers clarifying that the level of arrears would not have changed due to the revised presentation.
- The Committee questioned if there had been concerns regarding the previous template's transparency which prompted the change to the revised template. Officers advised that no concerns had been raised with the previous template; it was simply felt that the new template was more concise and digestible; this in turn would support transparency and opportunities to effectively scrutinise the accounts.
- In response to concerns highlighted regarding the Trust's level of rental income and arrears the Committee was advised that, whilst recognising the issue raised, this would be a matter for the Trust Committee to address rather than an issue related to the call-in on accuracy of the Trust accounts.
- It was clarified that the income on the accounts was the net figure.

At this point in the meeting the Committee was reminded that lines of enquiry must be within the remit of the original call-in submitted and not cross over to operational matters. It was acknowledged that it was unfortunate that some Committee lines of enquiry could not be responded to as colleagues from the Property Team and the Head of Internal Audit (who had undertaken the independent examination of the Trust Accounts) were not available to attend with questions needing to be directed and focussed on the officers that were in attendance. On this basis, the Committee then raised the following issues, as additional lines of enquiry:

- The Committee queried how utilities charges and payments were reflected within the accounts. In response officers advised that utility figures were included under maintenance payments.
- Following a Committee query as to whether the consultancy review commissioned by the Chief Executive would be made public the Committee was advised that this would be a matter for the Chief Executive to determine once the review had been completed with the Committee keen to ensure that any reflections on the outcome were shared more widely and with the Trust Committee once available.

As no further comments were raised, the Chair thanked everyone for their contributions. In summarising the discussion, the Chair highlighted that although the Committee had confidence in the professionalism of officer's work in relation to the accounts and understood the rationale for using a revised accounts template, the Committee's ability to explore some of the key lines of enquiry had been impacted by not being able to further explore (due to pre-planned leave) the basis of the Independent Examiners opinion on the accounts. It was, however, noted that

the concerns raised in relation to the accounts as the basis for the call-in had been challenged by Councillor Tatler (as Vice-Chair of the Trust Committee) and the Deputy Director of Finance at the meeting, with the high-level consultancy-based review commissioned by the Chief Executive relating to the issues and concerns raised about the accuracy of the accounts also to be concluded.

As a result, in considering the options available to the Committee under the call-process, Members indicated they were minded to refer the decision to approve the accounts back to the Barham Park Trust Committee for reconsideration. It was therefore **RESOLVED** that the Committee recommend, in line with section 2.1.2 of the report:

- (1) To refer the called-in decision back to the Barham Park Trust Committee for reconsideration once the high level consultancy-based review commissioned by the Chief Executive had concluded with the Committee also keen to welcome the Chief Executive sharing her reflections on the outcome of the review with the Trust Committee.

4. **Any other urgent business**

None.

Date of the next meeting: Wednesday 7 November 2023

The meeting closed at 8:08 pm

COUNCILLOR RITA CONNEELY
Chair