



Brent

MINUTES OF THE RESOURCES AND PUBLIC REALM SCRUTINY COMMITTEE
Tuesday 10 January 2017 at 7.00 pm

PRESENT: Councillor Kelcher (Chair), Councillor Davidson (Vice-Chair) and Councillors Aden, S Choudhary, Ezeajughi, M Patel and Stopp

Also Present: Councillors McLennan, Southwood and Tatler

1. Chair's Opening Remarks

The Chair welcomed all present to the meeting. Members were informed that Councillor Tatler had accepted the position of Lead Member for Regeneration, Growth, Employment and Skills and had therefore resigned from the committee. Councillor Duffy had been nominated to the vacant position and his appointment would be considered by Full Council at its meeting on 23 January 2017.

2. Declarations of Interests

There were no declarations of interest received from Members.

3. Deputations (If Any)

There were no deputations received.

4. Minutes of the Previous Meeting

RESOLVED: that the minutes of the meeting held on 8 November 2016 be approved as an accurate record of the meeting.

5. Matters Arising (If Any)

None.

6. Order of Business

RESOLVED: that the order of business be amended as set out below.

7. Budget Scrutiny Panel Report

Members considered the report of the Budget Scrutiny Panel; a joint Panel comprising members of the Council's two Scrutiny Committees, which had been convened in October 2016 to consider the 2017/18-2018/19 budget proposals. The Chair advised that he had led the Budget Scrutiny Panel and drew the committee's attention to the key themes identified in the report. A response was invited from Councillor McLennan (Deputy Leader of the Council).

Councillor McLennan welcomed the report and the Panel's support of proposals to accept a four year financial settlement from Central Government and to maintain the existing level of financial reserves. Strongly agreeing with the Panel's view that a cultural shift was required to respond to the changing funding model for local government by 2020, Councillor McLennan advised that the Council was well prepared. Members heard that subsequent to the work undertaken by the Panel, the government Spending Review had announced an additional 2 per cent flexibility on the council tax referendum threshold for local authorities responsible for adult social care. The Council therefore proposed to increase council tax by 4 per cent each year for the next three years, encompassing a 2 per cent increase and the 2 per cent social care precept. Formal consultation on this proposal was being held between 9 January and 1 February 2017 and would include Brent Connects meetings and outreach events in public spaces such as supermarkets.

Several queries were subsequently raised by the committee. Clarity was sought regarding the proposed approach to achieving further savings from council services. The view of the Chief Finance Officer was sought regarding the level of reserves maintained by the authority. Details were requested of the council's strategy for maximising revenue and capital investment opportunities from the Community Infrastructure Levy (CIL). Noting the view that the council's previous approach to achieving savings had left the council well placed to address some of the forthcoming financial challenges, a member questioned how Brent's resident's might be expected to benefit from this position. Discussing the proposed increase in council tax, members questioned whether the median income in Brent was expected to rise by an equivalent 4 per cent over the same period and whether the Lead Member anticipated further increases in council tax after 2018. Further details were sought of the anticipated revenue stream from the charge for bulky waste collection and of how the council aimed to reduce the number of senior social work managers who were agency staff.

Councillor McLennan responded that outcome based service reviews would be used to deliver sustainable savings and identify areas requiring additional resources. Consideration would be given to what 'big ticket' issues could be addressed over the next few years. The council was taking a multifaceted approach to improving opportunities for residents, targeting health and wellbeing, education and employment. The council also maintained a council tax support scheme, reviewed annually, to provide assistance to residents. The committee further heard that work was underway with partners to provide key worker housing, to assist in attracting and retaining key workers including social workers, teachers and NHS staff.

Conrad Hall (Chief Finance Officer) confirmed that the council maintained an appropriate level of reserves and advised that questions regarding CIL would be addressed by the subsequent item of business, 'Capital Programme and Investment Strategy'.

Addressing members queries regarding the introduction of the bulky waste charge, Councillor Southwood (Cabinet Member for Environment) advised that this would include a commercial offer, supported by enforcement and that funds from this charge would be reinvested into the service.

During members' discussion, a number of requests for additional information were made of officers, including the current amount of Section 106 and CIL funds held by the Council, projected levels of S106 and CIL funds for the next two years and both historic and projected growth of median income in Brent. It was agreed that this information would be circulated to the committee.

RESOLVED: that the report of the Budget Scrutiny Panel be noted.

8. **Capital Programme and Investment Strategy**

Althea Loderick (Strategic Director of Resources) introduced the report to the committee which provided an overview of the whole Capital programme in Brent, detailed current performance and gave an update on the Investment Strategy. The Committee was asked to note the budget for the Capital Programme for 2016/17 of £173.06m, the additional in-year budget growth of £12.18m, the four-year budget from 2016-2020 of £457.5m, and the forecast underspend of £72.53m for 2016/17. The report highlighted the key reasons for the expected underspend, which included over optimistic delivery planning, weak capital financial planning, legal planning and procurement issues. An action plan was being implemented to address the historic underperformance of the Capital Programme.

Members raised several queries in the subsequent discussion. Further details were sought regarding the Wholly Owned Investment Company established by the council and Temporary Accommodation (TA) Reform Plan, particularly the type of properties, the allocation process and expected length of occupation. Concerns were raised regarding the financial risk posed and information was sought on the impact on the budget of the additions to the capital programme detailed in the report.

Responding to Members' queries, Conrad Hall (Chief Finance Officer) explained that the TA Reform Plan was approved by Cabinet in March 2016. It contained a number of measures to reduce reliance on and the costs of temporary accommodation, including the acquisition of a private rented sector (PRS) portfolio. By doing this, the Council was able, through its investment company, to act as a responsible landlord and deliver housing at lower cost than the private sector. The properties would be typical residential properties of a variety of sizes and to ensure that it was a viable offer, the tenants would be required to have secured employment within an hour and a half's travel from Brent. The council owned one hundred per cent of the investment company and bore the financial risk of the venture, though this was deemed reasonable and proportionate. Addressing concerns regarding the democratic accountability of the investment company, Conrad Hall emphasised that the Council had set out how the company was to be governed and any proposed action outside of this would require Cabinet approval.

Members received an appraisal of the budgetary impact of additions to the Capital Programme, approved after the budget setting process. Conrad Hall confirmed that the impact was relatively long term. The anticipated savings from the New Accommodation Independent Living (NAIL) programme and TA Reform Plan would be achieved over and above those that were set out in the budget. Whilst the 2016/17 underspend had helped to offset pressures, the council was keen to progress the schemes and realise the associated financial benefits.

Following a request for further information regarding the revenue budget, it was agreed that Conrad Hall would refer members to the appropriate cabinet report.

RESOLVED:

- i) That the following be noted:
 - a. the budget for the Capital Programme for 2016/17 of £173.06m;
 - b. the additional in-year budget growth of £12.18m;
 - c. the four-year budget from 2016-2020 of £457.5m, and;
 - d. the forecast underspend of £72.53m for 2016/17.
- ii) That the following reasons for the expected underspend this year be noted:
 - a. over optimistic delivery planning;
 - b. weak capital financial planning,
 - c. legal, planning, and;
 - d. procurement issues.
- iii) that it be noted that an action plan was being implemented to address the historic underperformance of the Capital Programme, which would include refreshing the governance arrangements and a range of other measures;
- iv) that the progress made in implementing the Investment Strategy be noted.

9. **Report for Scrutiny on Brent's High Streets**

Councillor Tatler (Cabinet Member for Regeneration, growth, Employment and Skills) introduced a report detailing how the Council currently supported Brent's seventeen high streets (considered town centres) and the work being undertaken to improve its future strategy for these areas. Member's heard that this would include the development and implementation of action and investment plans in nine priority high streets. Councillor Tatler highlighted the wide ranging considerations to be encompassed within this work including changing social trends, such as the rise of internet shopping, as well as public health and environmental considerations and welcomed suggestions from the committee.

In the subsequent discussion the committee noted the importance of working in partnership with businesses and community organisations in the development of action plans and highlighted the importance of tackling key issues such as parking, cleanliness and condition and repair of the roads and pavements. Further issues of import discussed included play areas for children, the provision of seating, the encroachment of business on to pavements and homelessness. Additional details were sought regarding the development of Brent's high streets as 'destination' areas and how businesses could be empowered to take a proactive role in this work as community leaders.

In response Councillor Tatler thanked the committee for its input and advised that work was underway to establish business associations across the borough. It was hoped that these would provide a driving force behind the action plans, allow first-hand knowledge of the areas to be utilised and support an entrepreneurial approach. Promotion of the town centres as destination areas, reflecting their unique and distinct characters, was an important focus of the work. A members'

development session would be held to further engage members in taking the High Streets strategy forward.

Several requests for additional information were made by members during the committee's discussion including whether the Council or Veolia (the Council's Public Realm Contractor) retained the income derived from the commercial waste collection service, the financial impact of increasing the fixed penalty charges issued by Kingdom Security Ltd (provider of environmental enforcement services for the Council), the potential to expand the work undertaken by Kingdom Security Ltd over the next few years and the financial impact of this. It was agreed that responses to these requests would be circulated to the committee following the meeting and that members of the committee would also be provided with the report on the review of the one-year pilot scheme with Kingdom Security Ltd when available.

10. **Committee Forward Plan**

RESOLVED: that the Committee's work programme for the remaining meetings of the 2016/17 municipal year be noted.

11. **Any Other Urgent Business**

None.

12. **Date of Next Meeting**

The committee noted that the next meeting would be held on 8 March 2017.

The meeting closed at 9.04 pm

M KELCHER
Chair