



MINUTES OF THE RESOURCES AND PUBLIC REALM SCRUTINY COMMITTEE
Wednesday 29 January 2020 at 6.00 pm

PRESENT: Councillor Kelcher (Chair), Councillor Kansagra (Vice-Chair) and Councillors Aden, S Choudhary, Gbajumo, Kabir, Mashari, Nerva and Thakkar

In attendance: Councillor McLennan (Deputy Leader of the Council and Lead Member for Resources)
Councillor Tatler (Lead Member for Regeneration, Property & Planning)
Councillor Tom Miller (Lead Member for Community Safety and Engagement)
David Ewart (Independent Chair of Audit and Standards Advisory Committee and the Pensions Board)

1. Apologies for absence and clarification of alternate members

- Councillor Stephens (substituted by Councillor Thakkar)
- Councillor Johnson

2. Declarations of interests

In relation to agenda item 10, Brent Pension Fund Policy on Responsible Investment, the following councillors declared a personal interest.

- Councillor Kabir - A Pension Board Member, (did not participate in discussion).
- Councillor Choudhary - The Chair of Pension Fund sub-committee.
- Councillor Aden - Member of Pension Fund sub-committee, (did not participate in discussion).
- Councillor Nerva - Member of an advisory transport consultative body.

3. Deputations (if any)

The Chair informed the Resources and Public Realm Committee (the Committee) that two requests to speak from members of the public had been received, which were heard at the start of the respective agenda items.

- Alison Durant (Brent Trees) spoke in relation to agenda item 8, Budget Scrutiny Task Group Report.
- Simon Erskine (Co-ordinator of Divest Brent) spoke concerning agenda item 10, Brent Pension Fund Policy on Responsible Investment.

4. **Minutes of the previous meeting**

RESOLVED that the minutes of the previous meeting held on 4 December 2020 be approved as a correct record, subject to Councillor Gbajumo's name being added in the list of those present.

5. **Matters arising (if any)**

None.

6. **Chair's Report**

The Chair, Councillor Kelcher, introduced the report.

The Committee considered the Chair's report, which set out details regarding the selection of topics for the current meeting, as well as, work undertaken by the Committee outside of public meetings.

RESOLVED that the Chair's report be noted.

7. **Violence Against Women (Task Group) Membership and Terms of Reference**

The Committee received a report on the establishment of Violence Against Women (Task Group). The report was presented to establish a Scrutiny Task Group, in accordance with Part 4 paragraph 5 of the Council Constitution.

Councillor Tom Miller (Lead Member for Community Safety and Engagement) welcomed the partnership work and the establishment of this Task Group.

During the discussion, the following key points were noted:

- This Task Group should cover not only matters relating to violence but also the abuse against women.
- Attitudes to women, misogyny, domestic abuse and forced marriages should be looked at.
- The previous Scrutiny Task Group report on violence against women, which was published in 2014, should be considered.
- Relevant statistics about violence against women should be monitored.
- Councillor Donnelly-Jackson should chair the Task Group. The Chair stated that he would be meeting Councillor Donnelly-Jackson to discuss the scrutiny inquiry.

RESOLVED that a Violence Against Women Scrutiny Task Group be established with the following terms of reference:

To consider the Safer Brent Partnership's approach and progress in reducing violence against women in Brent and make a report and recommendations for the Partnership in addressing this issue.

Specifically, the approach and progress in:

- i. raising awareness and providing protection from domestic abuse and violence;
- ii. supporting victims of violence against women and bringing the perpetrators to justice;
- iii. raising awareness of Female Genital Mutilation and strengthening pathways for support; and
- iv. supporting exiting sexual exploitation (including Human Trafficking & Prostitution).

8. **Budget Scrutiny Task Group Report**

The Chair presented the cross-party Budget Scrutiny Task Group report for adoption by the Committee. The detailed report was attached as Appendix 1 to the report.

The Committee then discussed the Cabinet's draft budget and in particular asked questions about funding for children with SEN, ensuring that budget mitigation decisions were member-led and highlighted the provision about ring-fenced money to tackle the climate emergency.

At the invitation of the Chair, Alison Durant (Brent Trees) spoke in relation to agenda item 8, Budget Scrutiny Task Group Report specifically focussing on the provision for trees, environment and air quality. During her representation, she made the following points:

- Brent viewed trees in terms of their immediate and future potential cost to the Council.
- The Council failed to calculate the value of its mature street trees.
- Brent Trees held a public meeting with the Council, attended by 150 residents, which demonstrated the strength of feeling about the lack of care of street trees, removal of healthy street trees, lack of replacement of trees, and stumps being left in the place of removed trees. At the public meeting, Brent Trees made a presentation on the value of mature trees: amenity, carbon sequestration, air quality control, air-cooling and storm-water run-off. Small replacement trees and new small trees would provide relatively little in terms of climate change mitigation compared to large mature trees.
- Brent Council had declared a climate and ecological emergency; Brent aspired to be the "cleanest and greenest" London borough; and yet it removed mature healthy trees that mitigate climate change in order to save money.
- Brent Council had historically underfunded trees; the Council had admitted that it removed trees because it could not afford to maintain them and yet the environment department had underspent year after year.

- There was a compelling case for committing additional funds to the maintenance of street trees, replacement of street trees, replacement of street trees removed historically.
- Brent Trees was of the view that the recent money/funds (£700,000 lump sum as highlighted on pages 16 and 17 of the Budget Scrutiny Report before the Committee) acquired by Regeneration and Environment be committed to street tree maintenance, replacement, tree pit technology and stump removal. Alison Durant asked the Committee to make this proposal to the Cabinet.
- Brent Trees strongly supported recommendation 8 of the report before the Committee which stated 'the council should ring-fence the money generated by the one-off sale of additional burial plots for a programme of street tree planting and maintenance.'

The Committee noted the contribution. During the detailed discussion, which ensued, the Committee also noted the following key points:

- Councillor McLennan (Deputy Leader of the Council and Lead Member for Resources) welcomed thorough scrutiny of the budget proposals. She added that the budget would be considered, debated and then agreed accordingly by the Full Council.
- The Chair mentioned that a continued underspend was not appropriate for the R&E department. In this case, it should stay within the department and support other environmental priorities and trees would be a good avenue to spend this underspend. He added that he would discuss this issue with the Budget Panel and send an appropriate response.
- A Member commented that Special Educational Needs (SEN) funding had not seemed to increase in the last five years - if correct - this was very concerning. It was clarified that schools funding and the council budget/general fund were separate matters. However, pressure and concerns on this issue had been building and a banding review within the Borough was underway. The Chair stated that this matter should be brought for a pre-decision scrutiny discussion.
- Children's Social Care and Adult Social Care areas continued to present challenges. Cllr McLennan informed that relevant growth in these areas was now being factored in the budget. Minesh Patel, Director of finance, stated that volatility was a big issue in Children's Social Care as well as pressure in terms of growth together with a big spike in the complexity of cases involved. In terms of a different approach, he said that he was not aware of any relevant trends that could be considered.
- A longer strategic view of finance vis-à-vis the realities of a 12-month budget always presented different challenges.
- Councillor Tatler (Lead Member for Regeneration, Property & Planning) assured that the Council was undertaking a great deal of work to improve the environment and air quality in Brent and all relevant point of views and details would be considered by the Cabinet. She added that many trees had been

funded through neighbourhood Community Infrastructure Levy (CIL) and there was a need to undertake a strategic view about air quality, greenery, environment and trees in and around the borough - the Executive was considering this.

- Despite valid complexity, urgency and nature of some service delivery work required in a few areas, the overall reliance on agency workers seemed a continued cause for concern.
- The Chair stated that a clear process, accountability and transparency was critical for credibility and proper scrutiny. It was therefore very important to know who made a given decision and when was it made.

RESOLVED that the Budget Scrutiny Report and recommendations be adopted and referred to the Cabinet for consideration.

9. **Property and Capital Strategy**

Nick Ljustina (Operational Director Property and Assets) introduced the report that provided a summary overview of the Brent Council property and capital strategy for review in response to key lines of enquiry from members of the committee.

Councillor Tatler (Lead Member for Regeneration, Property & Planning), also contributed to the introduction.

The following appendices to the report provided the detailed information and breakdown to the Committee:

- Appendix A - Brent Asset List
- Appendix B - Investment Strategy Report 2019/20
- Appendix C - Capital Strategy Report 2019/20
- Appendix D - Brent Council's physical and tangible assets
- Appendix E - Review of Community Asset Transfers Policy
- Appendix F - Brent properties let at a peppercorn rent

The Committee scrutinised Brent's capital and assets strategy. During the discussion, the following points were noted:

- Councillors Mashari and Nerva raised several concerns relating to accountability, tenancy/leases, peppercorn rents, lack of consistency, due diligence and missing information in the report. Councillor Mashari highlighted that the report failed to provide answers to questions raised by the Committee at a previous meeting some 12-18 months ago and now the report contained less information. In view of the concerns raised by Members of the Committee regarding the information provided within the report, officers confirmed that the details provided were factually correct and responded to the key lines of enquiry before the Committee. It was, however, recognised that the officers present had not been at a previous meeting referred to, when some of the issues and concerns highlighted had originally been raised.
- The Committee members felt that the report seemed to be more of a statement of the current position than a meaningful transformative strategy.

- The way the Council managed its assets and spent its capital budget could have a huge impact on its wider strategic objectives and the way Brent's partners in the voluntary sector operate across the Borough.
- The Chair highlighted the importance of democratic oversight of historic decisions and corporate social value responsibilities based on the Social Value Act. He gave an example of a community organisation looking after elderly residents and noted that any help the Council gave would, in turn, support lesser isolation of elderly in the Borough and therefore would prevent future costs and issues.
- Cllr Tatler (Lead Member for Regeneration, Property & Planning) said that there were contrasting and often challenging needs and demands. She added that supporting vulnerable people was a priority and she would be happy to have a further conversation about any specific issues.
- Councillor McLennan (Deputy Leader of the Council and Lead Member for Resources) informed that the Ethical Procurement and Social Value Strategy was in the final stages of being drafted and would be available in the next few months.
- Concerning peppercorn rent and the process, Nick Ljustina (Operational Director Property and Assets) commented that a guidance note could be issued to Members. This issue was being looked at, however, the Council did not have many levers. Appendices A to F (six in total) provided some of the requested details. He added that the Council's rental stream was around £2m, mostly based in and around the Civic Centre and there were a very few voids in short-term rents which was operating at 96%.
- In response to a query from Councillor Mashari about how the Council valued its assets, Nick Ljustina (Operational Director Property and Assets) advised that these were valued on a rolling five yearly cycle (20% per annum) with the larger assets such as the Civic Centre valued every year. Glen Miller (Head of Property) added that external consultants, who were chartered surveyors and registered valuers, valued the Council's property assets annually. These valuations were then audited by the Council's auditors and thereon had to be approved by them before the Council's accounts could be closed without qualification.

After detailed discussion and deliberation, it was proposed that the Committee recommend that the Cabinet include in its Property and Capital Strategy the measurement of the social value generated through the properties that Brent gave to charities and other organisations at a peppercorn or discounted rent. This would help the Council to measure the extent to which the choice to forego rental income was paid back in community benefits. It would also provide an appropriate reminder of what would be given up if the Council were to consider disposing of these assets in future. This should include a consistent and transparent policy for when the Council gave out such discounts and support to community groups and a 'one public estate' approach.

Data/Information request

The Committee requested information data on how much rent the Council received from charities where it was also the client.

RESOLVED:

That it be recommended to the Cabinet that the Council's Property and Capital Strategy should include the following:

1. Measurement of the social value generated through the properties that Brent gave to charities and other organisations at a peppercorn or discounted rent.
2. A consistent and transparent policy for when the Council gave out such discounts and support to community groups.
3. A 'one public estate' approach towards the allocation of funding.
4. The Asset Strategy is brought back to Scrutiny Committee for consideration.

10. Brent Pension Fund Policy on Responsible Investment

Simon Erskine (Co-ordinator Divest Brent) spoke in relation to this item. After thanking the Chair for allowing him to address the meeting, he made the following points relating to this item:

- An advance email was sent to all members of the Resources and Public Realm Scrutiny Committee highlighting key points, copies of which were handed out to the Committee at the meeting.
- The report acknowledged the risk to the Pension Fund's fossil-fuel investments but it also acknowledged that global warming could affect all asset classes. It was clear from IPCC reports that if global heating exceeded 2 degrees centigrade - which all the major oil and gas companies had based their business plans on - that impact was virtually guaranteed. In other words not only would there be a reduction in the value of the fossil-fuel investments but also potentially most of the Pension Fund's other assets could lose value.
- The London Collective Investment Vehicle Fund was not yet in a position to divest from fossil fuels but this was changing. There was no reason why the Council could not agree to divest when appropriate fossil-free funds were available to move to better environment-friendly categories.
- The Pension Fund Sub-committee had been undertaking plenty of excellent interim work, studying how the Fund was likely to be affected by the climate emergency. The Sub-committee meeting on 25 February would be receiving the results of that study.
- It was hoped that the this Committee would encourage the Pension Fund Sub-committee to be open to protecting the value of the Fund and also to follow the commitments in the Council's resolution to declare a climate emergency – by divesting from risky fossil fuels.

The Committee noted the contribution.

Rav Jassar (Head of Finance) then presented the report, which provided an overview of the Brent Council pensions policy.

Councillor McLennan (Deputy Leader of the Council and Lead Member for Resources) welcomed the report and informed that the Council had been considering the issue for the past three years.

During the discussion, the following key points were noted:

- Concerning Brent Pension Fund for 2018/19, the value of the Fund's investments increased from £831.1m to £856.4m, despite a backdrop of continued uncertainty in the global economy, Total contributions received from employers and employees totalled £52.1m for the year, and total benefits paid to scheme beneficiaries, in the form of pensions or other benefits, totalled £45.9m.
- The focus of the Committee's questions was on how Brent could make sure its investments were more ethical and took account of the climate emergency.
- The Committee was pleased to note that the Council did not have any direct investments in fossil fuels although there might be some money in the tracker or passive funds.
- At present, the legislation guidance was slightly unclear and all pension funds were doing things differently.
- The Chair of Pensions Board, David Ewart, stated that the Pensions Board considered a risk report and the final decision rested with the Pension Sub-Committee. He stated that Brent was slightly behind the curve on this issue but it was fast catching up. He added that the risks were high and must be carefully evaluated by the decision-makers.

RESOLVED that the Committee recommended that the Council's Pension Fund Policy on Responsible Investment emphasise proactive investment in renewable and green technology, rather than simply divesting from polluting firms.

11. Recommendations Tracker

The Chair introduced the Scrutiny Recommendation Tracker table (Appendix 1 of the report), which tracked the progress of recommendations made by the Committee.

The Committee requested timely responses and update from the Cabinet and relevant services.

RESOLVED that the Resources and Public Realm Scrutiny Committee note the progress of the previous recommendations of the Committee.

12. **Any other urgent business**

None.

The meeting closed at 8:05 pm

M KELCHER
Chair

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