



## SUMMONS TO ATTEND COUNCIL MEETING

**Monday, 24 January 2011 at 7.00 pm**  
Council Chamber, Brent Town Hall, Forty Lane,  
Wembley, HA9 9HD

To the Mayor and Councillors of the London Borough of Brent and to each and every one of them.

I hereby summon you to attend the MEETING OF THE COUNCIL of this Borough.

GARETH DANIEL  
Chief Executive

Dated: Friday, 14 January 2011

**For further information contact:** Peter Goss, Democratic Services Manager  
020 8937 1351, [peter.goss@brent.gov.uk](mailto:peter.goss@brent.gov.uk)

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**The press and public are welcome to attend this meeting**

# Agenda

Apologies for absence

Item	Page
<b>1 Minutes of the previous meeting</b>	1 - 16
<b>2 Declarations of personal and prejudicial interests</b>	
Members are invited to declare at this stage of the meeting, any relevant financial or other interest in the items on this agenda.	
<b>3 Mayor's announcements</b>	
<b>4 Appointments to committees and outside bodies and appointment of chairs/vice chairs</b>	
<b>5 Report from the Leader or members of the Executive</b>	17 - 18
To receive reports from the Leader or members of the Executive in accordance with Standing Order 42.	
<b>6 Questions from the Opposition and other Non- Executive Members</b>	
Questions will be put to the Executive	
<b>7 Debate</b>	
To debate key developments affecting the Borough. The development to be discussed at this meeting is the building of the new civic centre. Representatives of the contractor, Skanska, will make a presentation.	
<b>8 Reports from the Chairs of Overview and Scrutiny Committees</b>	
To receive reports from the Chairs of the Overview and Scrutiny Committees in accordance with Standing Order 41.	
<b>9 2010/11 Mid Year Treasury Management Report</b>	19 - 24
This report details treasury management activity for 2010/11.	

**Ward Affected:** All Wards; **Contact Officer:** Clive Heaphy, Director of Finance and Corporate Services

Tel: 020 8937 1424  
clive.heaphy@brent.gov.uk

## 10 Urgent business

At the discretion of the Mayor to consider any urgent business.



- Please remember to **SWITCH OFF** your mobile phone during the meeting.
- The meeting room is accessible by lift and seats will be provided for members of the public.
  - Toilets are available on the second floor.
  - Catering facilities can be found on the first floor near The Paul Daisley Hall.
  - A public telephone is located in the foyer on the ground floor, opposite the Porters' Lodge

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## LONDON BOROUGH OF BRENT

Minutes of the ORDINARY MEETING OF THE COUNCIL  
held on Monday, 22 November 2010 at 7.00 pm

### PRESENT:

**The Worshipful the Mayor**  
Councillor Harbhajan Singh

**The Deputy Mayor**  
Councillor M Aslam Choudry

### COUNCILLORS:

Aden	Adeyeye
Al-Ebadi	Allie
Arnold	Ashraf
Mrs Bacchus	Baker
Beck	Beckman
Beswick	Butt
Cheese	Chohan
S Choudhary	Clues
Colwill	Crane
Cummins	Daly
Denselow	Gladbaum
Harrison	Hashmi
Hector	Hirani
Hossain	Hunter
John	Jones
Kabir	Kataria
Long	Lorber
Mashari	Matthews
McLennan	Mistry
J Moher	R Moher
Moloney	Naheerathan
Ogunro	Oladapo
CJ Patel	HB Patel
HM Patel	RS Patel
Powney	Ms Shaw
Sheth	Sneddon
Thomas	Van Kalwala

### Apologies for absence

Apologies were received from: Councillors Brown, Castle, Green, Mitchell Murray, BM Patel and Steel

1. **Minutes of the previous meeting**

RESOLVED:-

that the minutes of the previous meeting held on 13 September 2010 be approved as an accurate record of the meeting.

2. **Declarations of personal and prejudicial interests**

Councillor Powney declared an interest in item 6 by virtue of being a member of the West London Waste Authority.

3. **Mayor's announcements**

The Mayor was pleased to welcome five new members of the Corporate Management Team to the meeting. They were Clive Heaphy attending his first meeting of the Council as the new Director of Finance and Corporate Services. The other four other new appointments were:

Krutika Pau, the new Director of Children and Families  
Sue Harper, the new Director of Environment and Neighbourhood Services  
Andy Donald, the new Director of Regeneration and Major Projects, and  
Fiona Leaden the new Director of Legal and Procurement.

The Mayor announced that Brent Council had been awarded the London Council's Charter Mark for Member Development Excellence. This was in recognition of the Council's work to provide training and support to its members. He thanked those officers and members who were involved in working on this.

The Mayor announced that the Council and the local community joined forces again for the celebration of Brent Diwali, the Festival of Lights, on Saturday 30 October 2010. The event attracted in excess of 60,000 people and is one of the largest Diwali celebrations outside India. The Mayor added that the Council was honoured to work with a range of community groups who produced the fantastic floats and provided the performers for the parade. He thanked everyone who made the event such a huge success.

The Mayor informed members that he was having a Christmas Party on Thursday 16 December in the Blue Room Restaurant in aid of his chosen charities. Tickets would be available from his office and he hoped it would be well supported.

The Mayor referred to the list of current petitions showing progress on dealing with them which had been circulated around the chamber.

The Mayor stated that it was Richard Cotton's (Labour Group Office Manager) last Council meeting before he left the Council at the end of December. On behalf of all members he wished him good luck for the future. He then invited the Leader of the Council to speak. Councillor John added that Richard had served the Labour Group since 1987 and had worked in the public sector since 1974. She outlined

the many additional roles he had carried out, many involving fund raising for charity and wished him well for the future.

**4. Appointments to committees and outside bodies and appointment of chairs/vice chairs**

RESOLVED:-

That the following appointments be made:

<b>committee</b>	<b>nominations</b>
One Council Overview and Scrutiny Committee	Councillor BM Patel as first alternate to Councillor Colwill Councillor HB Patel as second alternate to Councillor Colwill
Children and Young People Overview and Scrutiny Committee	Councillor Green (in place of Councillor Hunter) Councillor Baker as first alternate to Councillor HM Patel Councillor HB Patel as second alternate to Councillor HM Patel
Call In Overview and Scrutiny Committee	Councillor Lorber (in place of Councillor Clues) Councillor Clues (in place of Councillor Lorber) as first alternate to Councillor Castle Councillor HB Patel as first alternate to Councillor BM Patel Councillor Colwill as second alternate to Councillor BM Patel Councillor Bacchus (in place of Councillor Long) Councillor Long (in place of Councillor Bacchus) as first alternate to Councillor Kabir
Budget and Finance Overview and Scrutiny Committee	Councillor HB Patel Councillor BM Patel as first alternate to Councillor HB Patel Councillor HM Patel as second alternate to Councillor HB Patel
Partnership and Place Overview and Scrutiny Committee	Councillor Colwill as first alternate to Councillor HB Patel Councillor HM Patel as second alternate to Councillor HB Patel Councillor A Choudry (in place of Councillor Bacchus)
Health Partnerships Overview and	Councillor Baker as first alternate to

Scrutiny Committee	Councillor Colwill Councillor BM Patel as second alternate to Councillor Colwill
Planning Committee	Councillor Beck (in place of Councillor Clues) as second alternate to Councillor Hashmi
Standards Committee	Councillor Brown (in place of Councillor Lorber) as second alternate to Councillor Beck

**5. Procedural motion**

Councilor Moloney moved a procedural motion relating to the discussion of items 7(a) and (b).

RESOLVED:-

That in respect of Summons items 7 (a) & (b), 1<sup>st</sup> Reading Debate – 2011/12 to 20014/15 Budget:

The Leader be permitted up to 10 minutes in which to present the reports,

The Leaders of the Liberal Democrat Group and the Conservative Group be permitted up to 10 minutes to debate the item,

with the general debate to continue in accordance with Standing Order 44 (b).

**6. Report from the Leader or members of the Executive**

**a. Items reported by the Executive**

*Day Centres*

Councillor R Moher reported that the consultation exercise had ended in October and a report was due to be submitted to the December meeting of the Executive. There had been 27 meetings to discuss the proposals so it had been a full consultation exercise.

*Emission based parking*

Councillor J Moher reported that the consultation exercise was ongoing and due to be completed by 30 November. He added that to date 10 responses objecting to the proposals had been received despite the extensive press coverage the issue had been given and the posters and leaflets produced.

*Waste and recycling*

Councillor Powney declared a personal interest in this item by virtue of being a member of the West London Waste Authority. He reported that the Executive had

agreed a waste strategy and the decisions had been called-in for scrutiny. He looked forward to hearing what alternatives would be proposed.

#### *Libraries transformation*

Councillor Powney reported that the Executive had agreed to consult on a libraries transformation programme and the decisions had been called in for scrutiny. He looked forward to hearing what alternatives would be proposed.

#### *Meeting with Head Teachers over cuts in Building Schools for the Future (BSF) funding*

Councillor John reported that regular meetings had been taking place with Heads, including one that day, since the abolition of the BSF programme had been announced. There was concern over a lack of information on how future funds for schools would be made available.

#### *Comprehensive Spending Review*

Councillor Butt raised the difficult decisions the Council would face in trying to reduce its budget by up to £100M over the next four years. The cuts that would be necessary would affect the poorest and most vulnerable in the borough. They already included the imposition of a housing benefit cap, Council Tax benefit cuts, increased rents, loss of child benefit, and even school funding was technically being cut. The council was faced with saving £37M in the first year and £24M in the second year.

#### *London Councils summit*

The Leader reported that she had attended the summit but did not stay long in light of her view that the Local Government Minister, Eric Pickles, had demonstrated little support for local government.

#### *Member Development charter*

Councillor Jones referred to the award of the charter to the Council as reported by the Mayor. She pointed out that this was the culmination of work spanning several administrations and recognised the support given by the Council to help councillors to be more effective. Councillor Jones thanked the officers who had provided this support over the years.

### **b. Decisions taken by the Executive under the Council's urgency provisions**

RESOLVED:

that the decisions taken by the Executive under the Council's urgency provisions relating to the following item be noted:

Authority to appoint to a framework for leaseholder right to buy insurance and to award a call-off contract.

## 7. Questions from the Opposition and other Non- Executive Members

Councillor Beck asked what mechanisms would be put in place to prepare for the repatriation of monies from London Councils for funding voluntary organisations. Councillor R Moher replied that she had attended a meeting at London Councils at which it looked as if at least half the monies from the London Boroughs Grants scheme would be repatriated. She stated that consultations would take place with the larger organisations in receipt of these monies to ensure a cohesive approach was adopted that would mean they worked together across borough boundaries to deliver their services. Councillor Beck wondered how much money was involved and whether this would be ring-fenced to provide for additional voluntary sector funding, to which Councillor Moher responded that this would be a decision for the Executive.

Councillor Colwill asked if the Executive considered it right to force people to give up their allotments at Elms Gardens and have to travel by car to alternative sites, He added that people should be encouraged to grow their own vegetables. Councillor Crane answered that it was not. He pointed out that the Elms Gardens site was derelict and had not been used as allotments for a number of years. It had been earmarked for sale by the previous administration and it had been decided to continue with the sale to Notting Hill Housing. It was considered necessary to sell the site in order to provide housing for decanting from the Barham Park estate to allow for its redevelopment and alternative allotment provision existed in Gladstone Park Gardens. Councillor Colwill responded that it had not previously been agreed to sell the site and residents had attended the Executive to object to the sale so he was amazed at the suggestion that the site was not used.

Councillor Shaw asked a question on behalf of Councillor Green. She asked if organisations which already received funding from the Council could also apply for funding from neighbourhood funding. In Councillor Green's ward a scheme had been agreed but there was a lack of clarity over how it could be approved. Councillor Jones replied that there was no bidding process involved. It was for the three ward councillors to decide how they wanted it spent. Councillor Shaw responded by asking for the Executive to intervene in getting funding agreed to support a bid by Brent Private Tenants Rights Group but Councillor Jones made it clear that it was not for the Executive to intervene.

Councillor Van Kawala referred to the abolition of the Future Jobs Fund and asked if the Executive agreed that apprenticeship schemes provided people with valuable work experience. Councillor Arnold replied that the Council was doing quite well on providing apprenticeships and outlined the current provision within the Council. There were gaps in the areas of health and social care which needed to be addressed but in such difficult times she was pleased to confirm that the Council still retained some apprentices.

Councillor Hunter asked the Executive, if it was decided to close libraries, would residents be given some re-assurance that efforts would be made to re-open the Belle Vue cinema in Willesden. Councillor Powney replied that it had been agreed to consult on the library proposals but Willesden Green library was not one that had been suggested might close. The Council had some early conceptual plans on the redevelopment of the Willesden Green centre. The provision of a cinema could not be guaranteed but he undertook to ask officers to bear in mind any possibilities for the co-location of a cinema. Councillor Hunter responded by stating that the next

Willesden area consultative committee would be discussing the plans for the future of the library service and residents would want to know what was planned for the Willesden Green site. She stated that residents needed more information on what was proposed. Councillor Powney added that at the moment there were no options to put forward.

Councillor CJ Patel stated that the last residents satisfaction survey showed that 86% of residents were satisfied with the waste collection service and asked why therefore were there proposals to change it. Councillor Powney replied that he hoped the new arrangements would lead to an increase in resident satisfaction by increasing recycling and extending it to include materials not currently recycled. Councillor Patel responded by saying that a lot of time had been spent by the previous administration to improve the service and he hoped this would not be wasted by the present administration.

Councillor Hirani asked for an update on the Aimhigher scheme that had followed the gifted and talented scheme run by the previous government. Councillor Arnold replied that the various parts of the Aimhigher scheme would be ending in March and so money currently used to support children with disabilities would be lost. She added that the route into university was being made more difficult for young people as such schemes were closed and tuition fees raised. Councillor Hirani stated that it was shameful what the Liberal Democrats were doing to young people aspiring to go to university by burdening them with debt when there had been a previous undertaking not to increase fees.

Councillor Sneddon asked why it was considered that neither Bridge Park nor the Council's training centre were suitable for Executive members and officers to meet together and instead expensive conference venues outside Brent were used. Councillor John replied that it was cheaper for Executive members and the officer management team to meet outside the borough and such arrangements contributed to more coherent decision making. If Bridge Park was used there was a danger that attention would be diverted and attendance interrupted. Councillor Sneddon responded that it was not necessary to choose venues in the borough that were more expensive when the Council had its own facilities. He saw no reason why coherent decision making could not be achieved by using facilities in Brent as had been the case during the last four years. Councillor John stated that many organisations such as the council took its top people away to create a effective working relations. The venue used had not been an expensive hotel but a training centre. She stated that it was a measure of how difficult it was for the opposition to find something to oppose when this issue was all that could be discussed.

Councillor Long referred to the Council's Placemaking guide and asked what equality assessment had been carried out on it. Councillor Powney replied that this was a matter for the planning service. The guide was subject to the usual process of consultation and this included consulting disability groups. Councillor Long responded by saying that she was concerned about proposals for shared use of space and made reference to the Royal Borough of Kensington and Chelsea's decision to drop plans for a fully shared surface on Exhibition Road following pressure from disability campaigners. She was not aware of any consultation being carried out and therefore question at what level this was being done.

## **8. The First Reading of the 2011-2012 Budget Priorities for the Administration**

Discussion of this item was combined with the following item.

**9. First Reading Debate on the 2011-2012 to 2014-2015 Budget and Medium Term Financial Plan**

Councillor John opened the debate by stating that the Liberal Democrats gave politics a bad name because they were a party that would say anything and do anything to win votes. She added that the local Liberal Democrats had, while in power, spent four years blaming the Labour government for lack of funding when the government had increased funding to local government by more than 40% in real terms. Now that the Liberal Democrats were in power the Council was faced with cuts of nearly one third, made worse by being front loaded. The Building Schools for the Future programme had been cut and local government was bearing a disproportionate share of cuts in public spending. Councillor John maintained that there was no need for cuts on such a scale because Britain's debt as a proportion of national income was one of the lowest in the EU and it appeared from recent reports that the country was able to afford to offer significant financial support to Ireland. She submitted that cuts were being made to further a political agenda which was the destruction of the welfare state. Councillor John submitted that when Labour left office in 2006, Brent Council was an improving council but progress had stalled between 2006-10 in the chaos of a joint administration between two parties who did not speak to one another often enough to make a decision. The cuts now faced by the council were on an unimaginable scale and the sort of cuts that the Liberal Democrats had opposed in the run up to the general election. The previous administration had a lot of choice in how to spend the resources at its disposal in contrast to being faced with having to make cuts such but, Councillor John said, there was a choice in the way that the cuts were made. Councillor John stated that the council could not justify keeping open branch libraries which hardly anybody used when there were disabled and elderly people who needed home care. She acknowledged that money had been spent on improving library buildings but nothing had been done to secure value for money and now the government was forcing the council to choose between empty branch libraries and meals on wheels. New ways of working had to be found and it was the intention of the administration to develop a library service fit for the 21<sup>st</sup> century. It was not the intention to salami slice or impose unidentified savings on departments but instead, priorities would be identified and everything possible would be done to defend front line services. Councillor John stated that the government had embarked on a programme of centralisation that included schools, social housing and welfare being removed from local democratic control with the services and facilities being offered to a mixed bag of organisations with vested interests.

Councillor Lorber referred to a past Labour government in the 1980's having to approach the International Monetary Fund for assistance and he accused the last government of again mis-managing the country's economy. Councillor Lorber asked if anybody wanted what had happened in Ireland to happen in the UK. He reminded members that the last Labour budget in March 2010 had proposed £44B of cuts. He stated that action on housing benefit had already been taken over the last two years because the previous Labour government had recognised the need to contain the money being spent. He submitted that it was now time for some hard decisions to be taken and it was time for people to be told the truth about the position the country was in. Councillor Lorber referred to the last Council

administration which had achieved the highest resident satisfaction results. He stated that the administration over the four years it had been in office had been a successful one in achieving a freeze on Council Tax increases and delivering better services. The One Council programme was on course to save £21M and more if properly managed. The incoming Labour administration had opposed the building of the new civic centre despite the improvements it would deliver. Other savings were arising from working in partnership with other agencies and all this had been introduced because it was clear what cuts were in the pipeline. Councillor Lorber ended by saying that the country had to recognise it could only spend what it could afford.

Councillor HB Patel referred to the recent government decision to lend money to Ireland and justified this by reference to the fact that Britain exported more to Ireland than to China, India, Brazil and Russia and it was therefore very much in the UK's economic interest to support Ireland. He submitted that the current government was transferring more power to local government than had been the case before. Councillor Patel stated that the last Labour government had nearly bankrupted the country. He added that all political parties knew before the general election that cuts in expenditure would be required and it was only a question of how much and when such action was needed. The Government had decided to front load the cuts in order to reduce the debt more quickly, which he claimed was a common sense approach. Councillor Patel submitted that past local government budget settlements had awarded below inflation increases in certain areas. He felt the present government was showing the right way forward.

Councillor El-Abadi felt reference to the country doing so badly on the back of debt was misplaced. He wanted to hear how the budget cuts would be affecting Brent. He asked, if the past Council administration had done so well, why it was voted out at the recent local elections. Councillor Allie felt the corporate plan presented to the Council contained nothing new with many aspects comprising a continuation of what the Council was already doing.

Councillor Van Kalwala offered his full support for the actions being taken to support the most vulnerable in the borough. He acknowledged the need to make cuts but also submitted that the Council needed to increase its balances after the last administration had reduced them and increase its funding for property maintenance. He submitted that the last government had led the world in taking action to prevent a world-wide recession and now the present government was supporting the Irish economy instead of finding money to build schools, hospitals and provide services for children.

Councillor Hunter referred to the awaydays attended by lead members and officers and felt this set a poor example to people on how the Council was managing the current situation. She stated that it was true that many organisations had similar events but they did not necessarily include an overnight stay. Councillor Hunter stated that the previous administration had spent £200 on an equivalent event. There were other aspects which the Council needed to be seen to be leading on and one of those was avoiding unnecessary business travel that such events involved.

Councillor Shaw deplored the suggestion that up to six libraries might be closed. She urged residents to petition the Council against taking such action. She was

proud that the previous administration had managed to invest in the library service so that the twelve libraries remained open and a home service was provided. She stated that closing libraries would punish the children who used them. She alleged that the current administration had wanted to close libraries for many years and that it was not the cuts that were forcing them to do this.

Councillor J Moher offered no apologies for reviewing the business case for the civic centre and reviewing the One Council programme. The new administration had now done this and satisfied itself on the viability of both. He reminded members that the government was making £85B cuts over four years which would mean Brent having to find £94M. Councillor Butt stated that the outcome of the Comprehensive Spending Review (CSR) had not been good for councillors of all political persuasions. The reduction in public spending was biased against local government. In June the Council had lost £7m in year as a result of grants being cut. The libraries had lost £100K from the book fund, free swimming for children and the elderly had been cut and still the full impact of the CSR would not be known until December. There would be a major impact on the ability for councils to deliver front line services but the administration would work to produce both the necessary savings and the services by looking for efficiencies and reviewing how services were delivered. Councillor Butt added that there were still many unknowns on how the CSR would affect schools through the pupil premium distribution. Nevertheless, he submitted that the administration had an ambitious and positive outlook despite the challenges that lay ahead.

Councillor Colwill referred to cuts made to the primary care trusts by the previous government and to a £9M cut from the Council's budget. He felt the past government had used money from pension funds and its gold reserves trying to keep the economy going. The debt for the Council stood at £100M which was the cost of the civic centre and he wondered if people would support this strategy when presented with such a comparison. Councillor Powney submitted that it was the view of many that public money should be used to support the economy and he thought this was a view held by the Liberal Democrats who were now saying that this was too extravagant and less should have been spent. However he could not remember them saying that before the general election. The level of risk to the Council had been increased by the in-year cuts made earlier in the year which amounted to the level of reserves held by the Council. Councillor Powney warned that there were also many other public sector cuts which could have an impact on the Council such as in demand led social care services. He pointed out that the Building Schools for the Future programme had been cut despite support for it before the general election.

Councillor Hashmi defended the past decision to invest in Icelandic banks by pointing out that this had been done in consultation with the government and the Bank of England. He also reminded members that all this money was not lost. Councillor Hashmi referred to the £7B recently earmarked to support Ireland and compared that to the £61B worth of exports from the UK to Ireland and the £80B lent to Irish businesses by British banks so he submitted that this money needed to be protected.

Councillor Matthews raised the issue of the suggested change in approach by London Councils towards voluntary sector funding and the danger this posed to services supporting women subject to violence. She identified the projects as an

excellent example of partnership working and sought assurances that everything possible would be done to protect them.

RESOLVED:-

- (i) that the Borough Plan 'Brent our Future 2010-14' circulated separately to all councillors be approved as the definitive statement of priorities over the next four years for the Council's Administration;
- (ii) that the broad budgetary priorities set out in the report from the Executive be noted and the issues raised in the First Reading debate be referred to the Budget and Finance Overview and Scrutiny Committee.

## 10. Reports from the Chairs of Overview and Scrutiny Committees

Councillor Gladbaum (Chair of the Children and Young People Overview and Scrutiny Committee) reminded members that the new overview and scrutiny structure had been agreed by Full Council on 13 September 2010. Because of the flat structure adopted, each of the committee chairs would be taking it in turn to keep Full Council informed about the work of overview and scrutiny. Councillor Gladbaum stated that she was pleased to be able to present the first report

To launch the new overview and scrutiny committees the chairs had hosted a consultation event on 28 September – *One Community Many Voices*. The aim of the event was to:

- provide an opportunity for members, partners, voluntary groups, and residents and members of the youth parliament to network and gain a better understanding of each others' roles,
- launch the new overview and scrutiny structure,
- help inform the committees' work programmes, and
- form part of the council's contribution to local democracy week.

Councillor Gladbaum was pleased to report that the event was very well attended and feedback from participants had been positive. The views expressed at the event would influence the areas that the committees would focus on over the next year.

Councillor Gladbaum reported on the work of each committee.

The Budget and Finance Overview and Scrutiny Committee had met on three occasions since the last Full Council and heard evidence from a variety of sources while following the budget setting process. The committee had received regular updates on the council's current budget position and at its last meeting members had explored the comprehensive spending review, what it was likely to mean for Brent and what steps were being taken to meet the resulting challenges. The Leader of the Council and the Lead Member for Resources also attended the meeting.

The main focus of the first meeting of the Partnership and Place Overview and Scrutiny Committee had been on crime and community safety. The meeting was attended by Genny Renard, Head of Community Safety Partnerships and Inspector

Claire Smart and it considered the impact of government announcements on the work of the Crime Prevention Strategy Group and the proposed changes to Anti Social Behaviour Orders. It had been agreed to set up a task group on diversion and exiting strategies for gangs. Members of the task group are:

Cllr Van Kalwala  
Cllr Mathews  
Cllr HB Patel  
Cllr Ogunro

The committee had also agreed to set up a further task group when resources become available to look at community reassurance, particularly in relation to CCTV.

The One Council Overview and Scrutiny Committee received an overview of the two Adult Social Care One Council projects. Proposals resulting from the Direct Services Transformation Project would be discussed in more detail at the next meeting prior to those proposals going to the Executive. As well as council performance information this committee would receive regular updates on all of the projects within the One Council Programme to help members decide which of the projects to focus on in detail.

Following a motion from full council on car repair and spray painting the committee agreed to set up a task group to undertake a short review. Its members were:

Councillor Allie  
Councillor Colwill  
Councillor Moloney

The Health Partnerships Overview and Scrutiny Committee has considered the NHS White Paper, *Equity and Excellence – Liberating the NHS* and endorsed the council's response to it. The committee will receive ongoing reports as it is implemented. The committee has also considered plans for the future of the Burnley GP Practice at Willesden Centre for Health and Care. Following a recommendation from the committee, NHS Brent agreed to carry out an open tender process for the practice and the committee is pleased with this outcome.

Finally, the committee has been consulted on plans to transfer the management of Brent Community Services to Ealing Hospital Trust and create an integrated care organisation with the trust, plus community services from Harrow and Ealing. Members did not endorse the proposals for numerous reasons including worries over safeguarding issues, concern that neither GPs nor BCS staff were completely behind the proposals and because of the timing of the consultation, which had taken place very late on in the process.

A task group was looking at the impact that fuel poverty has on health in Brent and will report to committee in December 2010. The members involved were:

Councillor Long  
Councillor McLennan  
Councillor Mitchell Murray  
Councillor Hector

Councillor Adeyeye  
Councillor Colwill

The Children and Young People Overview and Scrutiny Committee has co-opted members from faith groups and observers from the teaching unions and Brent Youth Parliament. As chair of the committee, Councillor Gladbaum informed members that she would be meeting with representatives of BYP on a quarterly basis.

The committee had received reports on the Children and Young People's Plan, the inflow and outflow of secondary pupils, Education standards in Brent 2009, school places updates, support for Somali pupils, locality services for social care teams, the Youth Service review and a Brent Youth Parliament summit report.

A task group on Youth Offending in Brent had been set up comprising:

Councillor Gladbaum  
Councillor Hunter  
Councillor Harrison

Councillor Gladbaum stated that it was intended to scrutinise all existing agencies in the borough and good practice here and elsewhere to prevent young people becoming known to the Youth Offending Service.

## 11. **Changes to the constitution**

Members considered a report which proposed a series of changes to the Council's Constitution arising out of the Council's departmental restructuring and other miscellaneous and incidental changes.

RESOLVED:-

- (i) that the changes to the Constitution set out in Appendix 1 to the report in relation to the departmental structure changes be agreed;
- (ii) that the delegation of functions to officers as set out in Part 4 of the Constitution attached as Appendix 1 to the report be agreed;
- (iii) that the Borough Solicitor be authorised to make such changes to the Constitution as are incidental to the changes set out in Appendix 1 to the report;
- (iv) that where the Council, Executive or Committee of the Council has delegated a function, decision, power or action to a Director and that Director no longer has responsibility for that matter under the terms of Part 4 of the Constitution (as revised by members), or the directorship no longer exists, such delegations shall with effect from 22 November 2010 be deemed to have been made to the Director who now has responsibility for the matters to which the delegation relates;
- (v) that the changes to the Constitution set out in Appendix 2 to the report in relation to contracts Standing Orders be agreed;

- (vi) that the change to the membership of the Alcohol and Entertainment Licensing Sub Committees set out in Appendix 3 to the report be agreed;
- (vii) that the recent minor changes made to the Constitution by the Borough Solicitor using her delegated powers set out in Appendix 4 to the report be agreed.

## 12. **Motions**

### *White Ribbon Campaign*

Councillor Matthews moved the motion circulated in her name urging support for the White Ribbon Campaign and expressed the hope that it would be uncontroversial.

Councillor John expressed her support for the campaign and Councillor Beswick did likewise but added that resources would be needed. Councillor HB Patel referred to some of the history to the campaign and expressed his support.

Following a vote the motion was declared unanimously CARRIED.

RESOLVED:-

- (i) that it be:
  - noted that the White Ribbon Campaign is the largest effort in the world of men working to end men's violence against women, by encouraging men to pledge never to commit, condone or remain silent about violence against women,
  - understood that raising awareness plays a huge part in changing the cultural and social norms which are recognised as being highly influential in shaping individual behaviour, including the use of violence,
  - recognised that local councils such as Brent working directly in the community are ideally placed to raise awareness and notes the excellent work Brent has undertaken, supported by all political parties, in tackling domestic violence and dealing with its consequences,
  - noted that White Ribbon Day takes place on 25 November (United Nations International Day for the Elimination of Violence against Women);
- (ii) that a commitment be made to organising, encouraging and supporting local initiatives that commemorate and mark this day as a major opportunity to raise awareness and involve the entire local community in the activities;
- (iii) that the Council commits to become a White Ribbon Accredited Authority.

### *Library service*

Councillor HB Patel moved the motion circulated in his name which deplored the plans to close six libraries subject to consultation. It urged the Leader of the Council to reconsider the matter. Councillor Patel referred to previous plans to cut the library service being resurrected. He disputed that closing six libraries was the sign of a progressive Council as referred to in the Borough Plan.

Councillor Hashmi felt the issue was extremely important to people and questioned the future of the investment put into the library service. He urged that careful thought be given before any library was closed. Councillor Lorber added that he was surprised that the discussion seemed to suggest a decision to close the library had already been taken when it was still subject to public consultation. He felt this undermined the validity of the consultation process. Councillor Lorber stated that the Council only had twelve libraries left and that they should be retained by improving efficiency.

Councillor Powney disputed that there had ever been previous plans to close libraries. The decision of the Executive had been clear in going out to public consultation on a library strategy. He stated that 82% of the local population did not use the library service and so the vast majority of residents were not benefitting from it. The issue confronting the Council was one of having to make significant cuts very quickly in response to government actions. There needed to be a serious debate on the future of the library service as the cost of maintaining twelve library buildings would mean employing fewer staff and thereby offering a reduced service.

Following a vote the motion was declared LOST.

#### *Liberal Democrat policies*

Councillor John moved the motion circulated in her name and indicated that she accepted the proposed amendment circulated in the name of Councillor Powney. She referred to a number of undertakings made by senior Liberal Democrats before the General Election which she submitted had not been kept to.

Councillor Lorber referred to a past time when the Labour Party made commitments which then saw it face many years in opposition to Conservative rule and warned this could be the beginning of the same happening again. He stated that the Labour Party did not campaign on tuition fees before it then introduced them in the first place. Whilst he personally did not agree with tuition fees he felt there was no other choice otherwise the country would face cuts in the number of university places and university closures because they could not be afforded. Councillor Lorber moved an amendment to the motion seeking to add reference to the Labour Party's undertakings prior to the 1997 General Election on foreign policy, tuition fees and an end to 'boom and bust'. This was put to the vote and declared LOST.

Following a vote the motion submitted, as amended by agreement, was put to the vote and declared CARRIED.

#### RESOLVED:-

- (i) that this Council notes that, at the last General Election, the Liberal Democrat party promised not to cut the deficit too far too fast; promised to abolish tuition fees; opposed proposals to means test or time-limit secure council tenancies; opposed any changes in child benefit and dismissed the Alternative Vote system as "a miserable little compromise". It is further noted that the cancellation of the Education Maintenance Allowance will detract from any supposed rise in the pupil premium, further impoverish hard working families and deter students from further educational achievement;

that this Council entirely disagrees with hitting the poorest hardest; that the Liberal Democrat leadership made these promises in the full knowledge of the structural deficit as, apart from making extravagant promises, they talked of little else during the election campaign;

- (ii) that this Council regrets that local people especially those who depend on public services and students who were duped into voting Lib Dem by shameless lies about their intention to scrap tuition fees are those who will suffer the most from the present government's policies and resolves to do all it can to protect local people from this government's attempt to destroy the welfare state under the guise of reducing the deficit.

In accordance with the provisions of Standing Order 47(c) the voting on the above decision was recorded as follows:

For:	The Mayor, The Deputy Mayor, Councillors Aden, Adeyeye, Al-Ebadi, Arnold, Mrs Bacchus, Beckman, Beswick, Butt, Chohan, S Choudhary, Crane, Daly, Denselow, Gladbaum, Harrison, Hector, Hirani, Hossain, John, Jones, Kabir, Kataria, Long, Mashari, Mistry, McLennan, J Moher, R Moher, Moloney, Naheerathan, Ogunro, Oladapo, RS Patel, Powney, Sheth, Thomas and Van Kalwala (39)
Against:	Councillors Ashraf, Beck, Cummins, Hashmi, Hunter, Lorber, Matthews, CJ Patel and Sneddon (9)
Abstentions:	Councillors Baker, Colwill, HB Patel and HM Patel (4)

**13. Urgent business**

None

The meeting closed at 9.28 pm

COUNCILLOR HARBHAJAN SINGH  
Mayor

## **FULL COUNCIL – 24 JANUARY 2011**

### **Report from the Executive**

#### **1. Items to be reported by the Executive**

The Leader has given notice that the Executive will report to Council on the following items:

- i. Comprehensive Spending Review
- ii Libraries consultation
- iii Area Consultative Forums
- iv Adult social care review
- v Household waste collection consultation
- vi Quintain 'North West Lands – Wembley' planning application

#### **2. Decisions taken by the Executive under the Council's urgency provisions**

None.

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	<b>FULL COUNCIL</b> 24 January 2011  <b>Report from the Director of Finance and Corporate Resources</b>
For Action	Wards Affected: ALL
<b>2010/11 Mid Year Treasury Management Report</b>	

## 1. SUMMARY

1.1 This report details treasury management activity for 2010/11.

## 2. RECOMMENDATION

2.1 Members are asked to note the 2010 Treasury Mid Year report.

## 3 DETAIL

3.1 The 2009 CIPFA Revised Code of Practice for Treasury Management established that members should receive a mid-year report on treasury management activity as part of the effort to improve scrutiny and transparency following problems with loans to Icelandic Banks. The Audit Committee has previously reviewed the mid year report at their meeting in December.

3.2 The Treasury Management Strategy for 2010/11 set out forecasts for the year. These were:

- a) That inflation would remain low, world economic growth would accelerate and that long term interest rates might start to rise.
- b) It was anticipated that most in house lending would be short term in nature, and that a revised Lending List, to include overseas banks, would be issued if markets remained calm.
- c) If long term rates were rising, and short term rates likely to increase, borrowing would rise in line with the Capital Financing Requirement (CFR) that measures capital expenditure.

## **Lending activity**

- 3.3 Appendix 1 sets out loans outstanding as at 31<sup>st</sup> October. Most lending activity has been short term (less than one month) in nature following the reduction in cash reserves in March 2009 and October 2010 to repay debt. The only change to the Lending List saw the removal of Alliance & Leicester following the removal of its credit rating on assimilation into Santander. Three year deposits made in 2007 and 2008 have gradually been repaid and re-invested at lower rates, reducing the income earned by the council. The external manager, Aberdeen Asset Management, continues to invest in one year certificates of deposit that yield better returns than those obtained by the in-house team.
- 3.4 In 2008, Brent deposited £15m with Icelandic banks - £10m with Heritable Bank, £5m with Glitnir Bank. The council has recovered a further £1m in 2010/11 from the administrators of Heritable, leaving £5.5m outstanding. It is anticipated that Brent will recover between 80% and 90% of its original deposit with Heritable. The legal case surrounding Glitnir, where the Winding up Board decided that local authorities were not preferred creditors, will continue for some time but our advisers are confident that the £5m will be recovered.
- 3.5 Although Brent has borrowed a further £20m for ten years from the Public Works Loan Board since April 2010 (to fund capital expenditure), forecasts that interest rates will remain low for some years mean that further borrowing will be minimal and balances reduced. However, the new Civic Centre project will require major capital expenditure, so that timing new loans is an important consideration.

## **Borrowing Activity**

- 3.6 It had been anticipated that both short and long-term borrowing rates might rise during 2010/11. It was felt that long term rates were particularly vulnerable given the large Public Sector Borrowing Requirement of around £170bn. On this basis, £30m was taken in long term loans to finance capital expenditure. The Public Works Loans Board (PWLB – a government lending institution) has supplied £20m in 10 year Equal Instalment Payment loans (at 3.25%), and the private sector £10m (at 2%) in a 'LOBO' (Lenders Option, Borrowers Option, which allows the lender the option to ask for a higher rate at set points in the life of the loan, but allows the borrower to repay rather than pay a higher rate).
- 3.7 However, the savings glut in Asia, the 'flight to safety' arising from the Euroland PIIGS (Portugal, Ireland, Italy, Greece and Spain), demand for gilts from banks and pension funds, and lack of borrowing in the private sector, have driven rates to very low levels. More important, the slow economic recovery, expenditure reductions and tax rises planned by the government, and fears of a double dip recession have brought about a reconsideration of the rising bank rate scenario that had previously influenced many economic commentators. Both Capital Economics and our treasury adviser, Arlingclose, now believe that base rate may stay low for a prolonged period. On this basis,

it makes little sense in the medium term (three to four years) for councils to hold cash balances earning 0.3% and borrow at 4%. Arlingclose has advised that Brent repays some debt and avoids long term borrowing, a strategy that has considerable economic merit.

- 3.8 In October 2010, the council repaid £50m PWLB debt. It is anticipated that this will save the General Fund £0.4m in 2010/11, and £0.7m in 2011/12. The council has replaced the PWLB debt with short term debt borrowed at 0.38%.
- 3.9 On 20<sup>th</sup> October, as part of the Central Spending Review, HM Treasury changed the terms under which councils borrow from the PWLB. Whereas previous loans had been made at a rate that was around 0.15% above the government cost of borrowing, HM Treasury have increased the differential to 1%. This will affect both fixed rate and variable rate loans. For example, the rate for 50 year loans rose from 4.23% to 5.1%. However, the discount rate used to calculate debt repayments has not been changed, making further debt restructuring activity much less likely. The new regime will encourage councils to avoid PWLB borrowing and to use their cash balances. It may also discourage capital projects, though there are other sources of long term finance, such as LOBOs or the issue of bonds.

#### **Other issues**

- 3.10 A member training session on Treasury management was held on 18<sup>th</sup> November, and attended by 16 members. The training covered both the regulatory framework and practical aspects of scrutinising and monitoring treasury functions.
- 3.11 All activity has complied with the Annual Investment Strategy set out in March 2010.

#### **4. FINANCIAL IMPLICATIONS**

These are covered in the report.

#### **5 DIVERSITY IMPLICATIONS**

The proposals in this report have been subject to screening and officers believe that there are no diversity implications arising from it.

#### **6 STAFFING IMPLICATIONS**

None

#### **7 LEGAL IMPLICATIONS**

There are no legal implications arising from the report.

## **8 BACKGROUND**

Annual Treasury Strategy – Report to Full Council (and the Audit Committee)  
as part of the Budget Report – March 2010.

Audit Committee – Mid Year report 16<sup>th</sup> December 2010

Persons wishing to discuss the above should contact the Exchequer and  
Investment Section, Finance and Corporate Resources, on 020 8937 1472/74  
at Brent Town Hall.

**CLIVE HEAPHY**  
Director of Finance and  
Corporate Services

**MARTIN SPRIGGS**  
Head of Exchequer and Investment

## APPENDIX 1

### Brent treasury lending list

1 The current loans outstanding as at 31st October 2010 are:

Name	Amount £m	Yield %	Lending Date	Maturity Date
Global Treas. Fund (RBS)	0.1	Var.	Call	
Gartmore cash reserve	0.1	Var.	Call	
Heritable bank	5.5	5.85	15.08.08	14/11/08
Glitnir	5.0	5.85	15.09.08	12/12/08
Northern Trust global fund	0.1	Var.	Call	
Skipton BS	5.0	6.48	01.07.08	01/07/11
RBS	5.0	1.13	22.09.08	22/09/11
Santander UK	<u>9.5</u>	<u>0.81</u>	14.10.10	12.11.10
<b>Total</b>	<b><u>30.3</u></b>	<b><u>1.52</u></b>		

Brent has also invested £23.4m with an external manager, Aberdeen Asset Manager, which has placed the fund in a mixture of certificates of deposit (CDs) and cash. The list of investments held by Aberdeen is as follows:-

	Amount £m	Yield %	Maturity Date
Barclays Bank CD	2.7	1.45	01.08.11
RBOS CD	2.3	1.2	03.08.11
Clydesdale Bank CD	2.5	1.19	24.11.10
Barclays Bank CD	1.5	1.42	14.10.11
Nationwide BS CD	2.2	1.22	29.11.10
Lloyds TSB CD	2.0	1.17	06.12.10
Lloyds TSB CD	1.0	1.19	03.02.11
Lloyds TSB CD	1.5	1.2	03.08.11
RBOS CD	2.25	3.1	07.02.11
Nationwide BS CD	2.2	1.23	28.03.11
Abbey National CD	3.15	1.44	18.10.11
HSBC Current account	-		
Accrued interest	<u>0.1</u>		
	<b><u>23.4</u></b>	<b>1.4</b>	

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