Decisions of the Policy and Resources Committee

19 February 2020

Members Present:-

Councillor Daniel Thomas (Chairman)
Councillor David Longstaff (Vice-Chairman)

Councillor Dean Cohen
Councillor Geof Cooke
Councillor Val Duschinsky
Councillor Anthony Finn
Councillor Arjun Mittra
Councillor Alison Moore
Councillor Sachin Rajput
Councillor Barry Rawlings
Councillor Gabriel Rozenberg
Councillor Peter Zinkin
Councillor Alan Schneiderman (In place of Councillor Ross Houston)

Apologies for Absence

Councillor Ross Houston

1. MINUTES OF LAST MEETING

RESOLVED that the minutes of the meeting held on 6 January 2020 were agreed as a correct record.

2. ABSENCE OF MEMBERS

Apologies for absence were received from Councillor Ross Houston for whom Councillor Alan Schneiderman was substituting.

3. DECLARATION OF MEMBERS' DISCLOSABLE PECUNIARY INTERESTS AND NON PECUNIARY INTERESTS (IF ANY)

None.

4. REPORT OF THE MONITORING OFFICER (IF ANY)

None.

5. PUBLIC QUESTIONS AND WRITTEN COMMENTS (IF ANY)

Details of the questions asked and the answers provided were published and circulated at the meeting

6. MEMBERS' ITEMS (IF ANY)

None.

7. BUSINESS PLANNING - MEDIUM TERM, FINANCIAL STRATEGY 2020-25, BUDGET MANAGEMENT 2019/20 AND BUDGET FOR 2020/21

The Chairman introduced the report which sets out the Medium Term Financial Strategy (MTFS), savings and income generation plans and the Capital Programme and forms a key part of the budget setting process for 2020/21 onwards. It also provides the key budget headlines on both a local and national level and seeks to provide an update on the council's underlying financial strategy.

Upon being put to the vote the recommendations as set out in the report were declared carried. The vote was recorded as follows;

For	8
Against	5
Abstain	0

RESOLVED – That the Committee;

1. **Approve the Policy and Resources Committee Delivery Plan for 2020/21 attached at Appendix O;**

2. **Consider the issues that have emerged from the consultation when making their decisions. The Committee make the decisions below also being mindful of the equalities impact assessments including the cumulative equalities impact assessments;**

3. **Recommend to Council for approval, the MTFS attached as Appendix A and the detailed revenue budgets in Appendices C1 and C2. The MTFS sets out all the budget changes over the period 2020-25, including assumptions around inflation, changes to levies, pressures, savings and income generation proposals and grant funding. It is the model around which the council's financial strategy is based;**

4. **Recommend to Council that the budget for 2020/21 is prepared on the basis of an increase of 1.99% general Council Tax in 2020/21;**

5. **Recommend to Council that the budget for 2020/21 is prepared on the basis of an increase of 2.00% Social Care Precept, to help fund care for the elderly;**

6. **Recommend to Council the resolutions relating to Council Tax contained within Appendix B – Council Tax Resolutions;**

7. **Recommend to Council, on the advice of the Chief Finance Officer, that it determines that the council's basic amount of Council Tax for 2020/21 as set out in Council Tax Resolution (Appendix B) 2(iv) is not excessive in accordance with the principles approved under section 52ZB and 52ZC of the Local Government Finance Act 1992, set out in the Referendums relating to Council Tax increases (Principles)(England) Report 2020/21.**

8. **Recommend to Council that in accordance with Section 38(2) of the Local Government Finance Act 1992 the Chief Executive be instructed to place a notice in the local press of the amounts set under recommendation 6 above within a period of 21 days following the Council's decision;**

9. **Recommend to Council for approval the Capital Programme as set out in Appendix D, and that the Chief Officers be authorised to take all necessary actions for implementation;**

10. **Approves the changes to the existing Capital Programme in relation to additions as set out in paragraphs 1.6.2 to 1.6.13;**

11. **Recommend to Council that the Chief Finance Officer be authorised to adjust capital project budgets and financing in 2020/21 and throughout the Capital Programme after the 2019/20 accounts are closed and the amount of slippage and budget carry forward required are known;**

12. **Recommend to Council the adoption of Flexible Use of Capital Receipts provisions as set out in paragraphs 1.6.23 to 1.6.26;**

13. **Recommend to Council the approval of the Capital Strategy as set out in Appendix J;**

14. **Recommend to Council the approval of the Treasury Management Strategy for 2020/21 as set out in Appendix K1**

15. **Notes the Treasury Management Performance reports set out in Appendices K2 and K3;**

16. **Recommend to Council the approval of the following in relation to the Housing Revenue Account:**

a) **The proposed rent be increased by CPI+1% for council dwellings as set out in paragraph 1.8.8 to take effect from 1 April 2020;**
b) **The proposed temporary accommodation rents are increased by in line with the LHA rate as in para 1.8.9 to take effect from 1 April 2020;**
c) **The proposed increases to service charges for council dwellings as set out in paragraph 1.8.13 to take effect from 1 April 2020; and**
d) **The proposed rent increase of 3% for council garages as set out in paragraph 1.8.13 to take effect from 1 April 2020.**

17. **Recommend to Council the approval of the Schools Budget of £351.626m for 2020-21 as per paragraph 1.5.46 to 1.5.55;**

18. **Approve Post 16 Funding of £5.209m as per para 1.5.45;**

19. **Recommend to Council that any changes to the Schools Budget reasonably required as a result of the final 2020/21 DSG and Post-16 settlement are delegated for decisions to the Strategic Director – Children & Young People in consultation with the Director of Finance;**

20. **Note the fees and charges as detailed in Appendix G;**

21. **Note the summary equality impact assessment (EIA) and cumulative assessment set out in section 9. Appendix I provides the cumulative impact and individual Departmental assessments;**

22. **Recommend to Council approval of the reserves and balances policy as set out in Appendix L and indicative amounts as set out in paragraph 1.5.64 and the Director of Finance's assessment of adequacy of General Fund Balances in section 1.5.70. The Committee recommend to Council that the Director of Finance is authorised to adjust balances in 2020/21 after 2019/20 accounts are closed and the amount of balances carry forward required are known;**

23. **Approve the underlying Financial strategy of the council as set out in paragraph 1.5.1 for referral to Council; and**

24. **Notes the Corporate Risk Register and recommend it to Council as set out in Appendix N**

8. COUNCIL TAX SUPPORT 2020/21 - REVISION TO COUNCIL TAX REDUCTION SCHEME

The Chairman introduced the report which provided the Committee with information relating to proposed changes to the Local Council Tax Reduction Scheme (LCTRS) scheme from April 2020, including analysis from the public consultation carried out between 9th December 2019 and 10th January 2020.

Councillor Goof Cooke, duly seconded move the following amendments to appendix A section 11 that proposed the following word/wording is added

11. Discretionary Reduction see Part 3 of Schedule 1 of the default scheme (Discretionary Council Tax Hardship payment)

An application to the authority for a reduction under section 13A(1)(c) of the 1992 Act must
be made –

(a) In writing, **or;**

(b) By means of an electronic communication (see part 4 of Schedule1)

or;

(c) Via LBB's website.

The applicant must state why the request is being made and supply such evidence and information as the Council may require in support of the request.

If for any reason the request is not in a form that LBB can accept then the applicant will be supplied with a suitable form.

Should an overpayment of CTS arise due to Local Authority or official error, whereby the local authority contributed to the retrospective reduction and deem it unreasonable to suggest the resident would have known they were receiving too much entitlement, residents can apply for a Discretionary Council Tax Hardship payment to offset the overpayment.

Where practicable and the local authority is aware, the authority will make claimants aware of their ability to apply for support.

Applications will be considered based on hardship and remain discretionary.

Upon being put to the vote the amendments proposed by Councillor Geof Cooke were declared carried. The vote was recorded as follows;

For	13
Against	0
Abstain	0

Upon being put to the vote the recommendation, subject the above amendment to Appendix A section 11 was declared carried.

RESOVED – That;

1. **The proposed Barnet Local Council Tax Support Reduction Scheme as set out in Appendix A should be referred to Full Council for approval.**

9. PENSION FUND ADMINISTRATION

The Chairman introduced the report which detailed for the Committee the measures put in place to enable alternative service provision arrangements for the pensions administration service. Further details were provided in the appended Full Business Plan and Indicative Transition Plan.

Upon being put to the vote the recommendations as set out in the report were declared carried.

RESOLVED – That the Committee

1. **Notes the conclusion of the council's engagement with Capita in respect of the future delivery of the pension fund administration function as set out in para 1.3;**

2. **Agrees the cessation of the pension fund administration function from the ongoing wider Customer and Support Group (CSG) contract, subject to the outcome of the necessary financial due diligence, on the commercial principles as set on in para 1.4;**

3. **Authorises the Director of Commercial and Customer Services to take necessary action to conclude negotiations and effect the transfer of this service from Capita;**

4. **Notes the transition plan that will exist up to March 2021;**

5. **Agrees the appointment of Bradford City Council (as administrating authority of the West Yorkshire Pension Fund (WYPF)) as the pension fund administration provider;**

6. **Recommends to Council to, under S101 agreement, delegate the pensions administration function to WYPF**

7. **Authorises the Director of Finance to take necessary action to conclude discussions and effect the transfer to WYPF of this service.**

10. QUARTER 3 (Q3) 2019/20 STRATEGIC PERFORMANCE REPORT

The Committee considered the report which report which provided a strategic overview of performance for Quarter 3 (Q2) 2019/20 in relation to the corporate priorities in the new Corporate Plan (Barnet 2024).

Upon being put to the vote the recommendations as set out in the report were declared carried.

RESOLVED – That the Committee

1. **Scrutinised the Actions, KPIs and Risks related to the Corporate Plan (Barnet 2024), including the escalated high (15 to 25) level risks in the Corporate Risk Register at Appendix B.**

2. **Noted the revenue and capital forecasts for 2019/20.**

3. **Noted note the progress on savings for 2019/20.**

11. TRANSFER OF 156 GENERAL FUND HOUSING ACQUISITIONS TO TBG OPEN DOOR LTD

The Committee considered the updated business case which outlined the proposal to transfer street properties acquired through the first three phases of General Fund housing acquisitions from the Council, to Opendoor Homes Limited. The proposal would enable the Council to both deliver revenue savings to the Housing General Fund, whilst also affording Opendoor Homes Ltd, a subsidiary of the Barnet Group (a wholly owned company of the Council), to increase its asset base and support future growth.

Upon being put to the vote the recommendations as set out in the report were declared carried. The vote was recorded as follows;

For	8
Against	0
Abstain	5

RESOLVED – That;

1. **The Committee approves the revised business case for the transfer of General Fund Housing Acquisitions or any of them from the Council to TBG Open Door Ltd from Q1 2020/21 and acknowledges that otherwise the**

project may be progressed on the same basis as the decision 20 February 2019.

2. **The authority is delegated to the Deputy Chief Executive to approve a loan agreement between the Council and Opendoor Homes LTD with an on-lending margin of 1.24%.**

3. **The Council, as lender, approves Opendoor Homes LTD application to secure charitable status.**

4. **The Committee approves the transfer of the ownership of the properties listed in appendix 2 (in the accompanying exempt report) from the council to TBG Open Door Homes Limited**

12. BRENT CROSS SOUTH PROJECT AGREEMENT

The Deputy Chief Executive introduced the report which sought approval to amend the BXS financial returns mechanisms within the BXS legal documentation to provide greater alignment of incentives between the joint venture partners, and improve returns to the council in recognition of the agreement to secure the Homes Building Fund Loan against the council's land interests.

Further approval was also sought to vary the project agreement and joint venture documentation and make consequential changes to other documents referred to therein and needed to implement the temporary open space works on 28 February and thereafter deliver plots as part of Mega Phase A.

Upon being put to the vote the recommendations as set out in the report were declared carried

RESOVLED – That the Committee

1. **Agrees to authorise the Deputy Chief Executive in consultation with the Chairman of the Housing and Growth Committee to amend the financial returns mechanism within the BXS legal documentation on the basis set out in paragraph 2.2 of this report and paragraph 1.3 in the exempt report when finalising and agreeing the detail of the consequential changes to the BXS legal documentation as approved by the Housing and Growth Committee (formerly Assets, Regeneration and Growth Committee) on 27 November 2018 and 13 June 2019 and as referred to above.**

13. COMMITTEE FORWARD WORK PROGRAMME

RESOLVED - That the Committee noted the work programme

14. ANY OTHER ITEM(S) THE CHAIRMAN DECIDES ARE URGENT

None.

15. MOTION TO EXCLUDE THE PRESS AND PUBLIC

RESOLVED that under Section 100A (4) of the Local Government Act 1972 the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information

16. TRANSFER PROPERTIES ACQUIRED BY THE COUNCIL TO TBG OPEN DOOR HOMES LIMITED

RESOLVED that the Committee note the information set out in the exempt report

17. BRENT CROSS SOUTH PROJECT AGREEMENT

RESOLVED that the Committee note the information set out in the exempt report

18. ANY OTHER EXEMPT ITEM(S) THE CHAIRMAN DECIDES ARE URGENT

None.

The meeting finished at 9.30 pm