

FINANCE, POLICY AND RESOURCES COMMITTEE

Minutes of the meeting held on Monday, 16 November 2020.

PRESENT: Councillor Gareth Roberts (Chair), Councillor Michael Wilson (Vice-Chair), Councillor Richard Baker, Councillor Richard Bennett, Councillor Aphra Brandreth, Councillor Robin Brown, Councillor Ian Craigie, Councillor Paul Hodgins and Councillor Lesley Pollesche

94. APOLOGIES

There were no apologies on this occasion.

95. DECLARATIONS OF INTEREST

There were no declarations of interest.

96. MINUTES

The minutes of the meeting held on 10 September 2020 were approved as a correct record and the Chair authorised to sign them.

97. TWICKENHAM RIVERSIDE - NEXT STEPS AND IN PRINCIPLE USE OF CPO POWERS

The Director of Environment and Community Services introduced the report and explained that, following agreement with the Environment Agency on flood risk mitigation and dialogue with various commercial interests, the proposal for Compulsory Purchase Order (CPO) was being made as a protective fallback, should any further discussion with interested parties reach an impasse.

Representations were received from Susan Chappell who spoke about the creation of the Diamond Jubilee Gardens and the importance of working in partnership with local groups. She stated that the previous Administration, of which she was a part, had placed the gardens in Trust so that the Council could not contemplate taking back the land until 2139. She considered that work should continue with the Twickenham Riverside Trust (TRT), that there should be consultation with the public to inform the work of the Design Panel and did not agree with introducing CPO.

In response to questions from the Committee, Mrs Chappell stated that many were concerned that changes meant the scheme was very different and it was not known if there was public support. She considered that TRT had technical knowledge to assess if the current proposal was better and that there had been no consultation but a public engagement. When asked how representative TRT was of Twickenham residents, she clarified that she did not speak for TRT but felt, as a nearby resident, it important that the site remained as public open space. She considered that it had been intended that the gardens would be developed over time and be adapted for local benefit.

The Committee heard from Ward representative, Councillor Chard who spoke about the enormous potential that the proposal provided for the town centre and the need to press ahead. He emphasised the importance of listening to local groups but that no single group had a veto. He stated that his fellow ward councillors supported the backstop proposed as agreement could be reached.

In response to questions from the Committee. Cllr Chard considered that there were productive discussions with TRT but that there was a need to move to gain planning permission. Further, he welcomed the open and honest negotiations with TRT and noted that agreement would be in the interests of both parties and the public. He understood that the change to the plan was liked by the public as it provided better flow from adjoining roads into the site. The flood plain had been considered and the site gave a vastly improved area of land and a better footprint for the gardens. TRT understood at Concept Design stage and through the Stakeholder Group that the existing area for the gardens might change.

Representations were made by Hugh Brasher, Chair of TRT, who emphasised the need for conversation and consultation and not confrontation. He considered that CPO was an aggressive move at this stage when there were ongoing discussions with the Environment Agency and Port of London Authority (PLA). Until these discussions were concluded, current plans could not be delivered. He stated that TRT would defend itself against CPO on the basis of its charitable objects and advice from the Charity Commission. He asked that the CPO be delayed and stressed that TRT wanted to make Twickenham a hub that people would wish to visit.

In response to questions from the Committee, Mr Brasher advised that TRT had sent a letter in May allowing the Council to provide land above and below the floodplain. He explained that TRT has eight new trustees chosen through a selection process, who are representative of the community in Twickenham. He emphasised that TRT is passionate about Twickenham and is willing to engage with the public but also has fiduciary duties. He praised the earlier consultative process undertaken by the Council and wished to see this willingness to work together continue. He reported that a survey of residents had been undertaken by TRT in 2017, but as the current plan for the site had not been formalised, there was nothing on which TRT could consult at present. In terms of the timetable for a CPO, Mr Brasher considered that a TRT challenge would double the usual twelve to eighteen-month period. He acknowledged that the process was complicated but that TRT had to show the Charity Commission that the amenity would be as good as what was already in place. He wished to retain the current goodwill of all parties and asked that the Committee refuse the CPO.

The Committee sought comment from Officers present. The Director of Environment and Community Services advised that agreement could be reached as both the Council and TRT were close to reaching a settlement. A solution to the concerns on the floodplain had been reached with the Environment Agency and talks with the PLA were making good progress. This allowed more open space and less development on the site. Meetings on some of the legal issues had been on hold, while the focus was on design matters. He noted that all lines of communication remained open with TRT. He further advised that as the PLA was the freeholder for the embankment, although it was maintained by the Council, a technical process had to be followed to purchase the land.

The Chair confirmed that CPO powers sought did not apply solely to Diamond Jubilee Gardens and that any decision on CPO implementation would need to be made by the Committee at a later date.

The Head of Valuation and Asset Management advised that CPO would take eighteen months to complete but would take longer if the proposed in principle decision was delayed. The Council continued to negotiate and if agreement was reached the CPO would be revised. No cost had been incurred to date and it was hoped that, with agreement, TRT land would be removed from the CPO. He noted that it was easier to remove land from a CPO than to add. The £250,000 sum included in the report was made up of professional fees and the inquiry costs and did not include the cost of challenge.

In debate, the Committee decided not to move to closed session but remained mindful of not disclosing exempt information. The Committee heard that, of the schemes consulted on, the 'Hopkins' scheme was favoured by the public and therefore necessitated moving the gardens. The CPO Inspector would look at the scheme as a whole and the benefits it brought. It was noted that TRT had been included in the stakeholder agreements and while public engagement was difficult during the pandemic, consultation with the wider Twickenham community should be undertaken.

While some members of the Committee voiced concerns that the proposal for a CPO was not a good tactic for fruitful negotiation and that not all risks had been identified, others voiced support for the proposal as it was felt that TRT could not veto a scheme in the wider public interest. Further, it was recognised that a change would need to be made to the site of the gardens and there were risks, in view of the multiple tenures, if a CPO was not considered. It was important to remember the commitments made to the public to deliver this project.

Drawing debate to a close, the Chair noted that the Committee would welcome compromise on the proposal enabling a delay of two months on the inclusion of Diamond Jubilee Gardens in the CPO. This would allow maintenance of goodwill and enable negotiations to continue. The Chair, Councillor Roberts, moved, Councillor Brown seconded and the Committee agreed by a majority that it would return to the issue of the inclusion of Diamond Jubilee Gardens in the CPO at its meeting in January 2021, thus enabling further discussion between the Council and TRT.

Councillors Brandreth and Hodgins asked for their votes against the resolution to be recorded.

RESOLVED:

That the report as written be adopted with the proviso that the Committee was not at this stage supportive of including the Diamond Jubilee Gardens land within its in-principle decision detailed in point three below and would instead return to that issue at its meeting on 18th January 2021, and therefore subject to this requirement,

1. That the update given in this report be noted.
2. That it be agreed in principle that the Council will use compulsory purchase powers pursuant to section 226 of the Town and Country Planning Act 1990 (as amended) to acquire the land and any rights within the area described in the report and shown on the plan attached to this report, the Council being of the view that compulsory acquisition of the land may be necessary in order to secure the delivery of the Scheme and to bring forward its benefits in a timely way.
3. That Officers be authorised to carry out preparatory work for the use of its compulsory purchase powers, including, subject to the 'in-principle' decision being made, serving statutory requisitions for information on land owners and appointing land referencing agents (if considered necessary) to thoroughly investigate all land interests, the preparation of a Statement of Reasons and all other necessary documentation.
4. That the overall cost estimates be noted, including the acquisition costs of those interests which are still to be acquired, which will be detailed in the further report to this Committee setting out the justification for making a compulsory purchase order.

98. ADDITIONAL BUDGET REQUIREMENT

The Committee noted that this report and decision from the Transport and Air Quality Committee represented a package of measures relating to the closure of Hammersmith Bridge. It was not dependent on contribution from Hammersmith and Fulham Council as that was a matter for the Taskforce set up by the Department for Transport in September 2020, to work towards safely reopening the bridge. (Chaired by Baroness Vere, the Taskforce includes representatives from Transport for London, the London Boroughs of Hammersmith and Fulham, and Richmond upon Thames, Network Rail, the Greater London Authority and the Port of London Authority). As one of the funding partners, the Council was putting forward its fair share.

RESOLVED:

That the funding of the Hammersmith Bridge item listed in paragraph 3.1 of the report from the central contingency budget or other sources as specified be approved

99. WRITE OFF OF DEBTS OVER £25,000

Introduced by the Assistant Director of Resources (Revenue Services), he advised that this was an annual report which set out actions under delegated authority and sought authority to write off larger debts. He assured the Committee that a full process and every effort had been used to collect the debts. This report related to the pre-Covid period. Recovery processes had been eased during the pandemic and therefore a higher level of write off might be seen in future

RESOLVED:

1. That the write off, under delegated authority, of debts totalling £1,083,295 as detailed in paragraphs 3.2, 3.3, 3.4 and 3.5 of the report be noted.

2. That the write off of 3 debts totalling £124,561 as detailed in paragraph 3.4 of the report be approved.

100. INFRASTRUCTURE FUNDING STATEMENT 2019/20

The Committee heard that Table 1, "Borough CIL Income 2014/15 – 2019/20", included at paragraph 3.6 of the report, represented income collected to date as the requirement for a published statement was for amounts collected, allocated and spent.

RESOLVED:

1. That the publication on the Council's website of the Infrastructure Funding Statement for 2019/20, as set out in Appendix 1, be approved.
2. That authority be delegated to the Information and Business Support Team Manager for the ability to make edits to Appendix 1 and republish that document where these are not material to financial information supplied, in consultation with the Director of Resources.

101. RICHMOND CORPORATE BUILDINGS CARBON REDUCTION PROJECTS

The Council's own actions were a key part of its Climate Emergency Strategy and a detailed audit of buildings had been undertaken. This showed a potential CO₂ reduction of 20%. The projects detailed in the report also represented good 'invest to save' opportunities as these would become recurring savings. The Committee welcomed the approach and hoped that the successes could be publicised as an example to other building owners and operators.

RESOLVED:

1. That the proposed rationale for a programme of works and prioritisation of projects towards the decarbonisation of existing Council buildings and approve the approach to Solar PV installations proposed for operational buildings be supported.
2. That the estimated capital investment required in order to deliver reduction in CO₂ emissions as well as estimated revenue savings detailed in paragraph 6.2 of the report over the next four financial years be noted.
3. That the cost of energy audits to the smaller consuming sites and feasibility studies of projects identified in paragraphs 3.23 and 3.26 of the report be approved.

102. IT STRATEGY

The Assistant Director of Resources (Corporate Services) advised that the strategy represented the transfer of core IT infrastructure to Cloud computing. In response to questions, he explained that the cyber-attack at Hackney Council was still under investigation but noted that legacy systems were likely to be an issue. Cloud computing would therefore be an improvement. The rationale for a 50/50 split of cost with Wandsworth Council was that each Council had a different core infrastructure starting point. Once the procurement process and discussions with suppliers were in train, more detail would be available to reflect the more usual division of cost for different areas of the project. He further advised that all councillors would be supported and that the strategy would support more secure flexible working. He noted that changes in ways of working had been accelerated within the organisation by the pandemic and that requirements for office printing would need review. Many staff reported that working from home was more efficient.

The Lead Member for Finance and Resources acknowledged that the Covid overlay could have affected normal workloads but considered that the Committee should not assume that working from home introduced inefficiency and hoped that good use of this would continue.

RESOLVED:

That the investments set out in paragraphs 4.1 and 4.2 of the report be agreed.

103. CAPITAL PROGRAMME AND FUNDING REVIEW

The Director of Resources and Deputy Chief Executive introduced the report which summarised the reasons for changes to the Capital Programme and reset the budget to give the base for the next revision in January.

In response to a question about whether projects removed would indeed be added in future, he stated, as an example, that there was some potential for change as South West Middlesex Crematorium's loan had varied in line with timing of works and fees received. Some items would not return to the programme, for example, the refuse and recycling fleet and the South London Knowledge Exchange Programme. There was a possibility that Transport for London (TfL) funded schemes could be included in future in the programme but this seemed unlikely with current uncertainty over TfL's budget.

The Chair called for a vote and Councillors Hodgins and Brandreth asked that their abstention be recorded.

RESOLVED:

- 1. That the capital programme and the changes being proposed be reviewed and noted.**
- 2. That the revised capital programme and its funding be approved.**

104. Q2 CORPORATE QUARTERLY MONITORING REPORT

The Committee decided to consider this item alongside the Q2 Quarterly Monitoring Report (Minute 105).

The Director of Resources and Deputy Chief Executive advised that the table included within paragraph 3.1 (page 108 of the agenda pack) summarised the overall budget position for the Council. Broadly there had been no change since the first quarter, but there was increasing pressure on children's social care budgets. For Covid, this column excluded income recovery from Government and it was expected that net losses arising from the pandemic would be £6-8 million. The table did not allow for the second English lockdown period where they may be further impact.

In response to questions, the Committee heard that it was difficult to identify a clear Covid impact in all areas. The Council was required to offset any cost saving but, for example, on some contracts, continued support was needed to be in place for some contractors during the pandemic period under the Government funding rules. For parking income, a detailed weekly analysis has examined the expected against actual income and there was a clear correlation between the start of the National lockdown and reduced income which has been profiled across the overall budget. However, with expected reduction in car usage in future years all councils were having to consider this effect on income which supported spending on other services over time. There remained a doubt that Government would reimburse the total Covid spend. It was noted that a recent motion at the Adult Social Services, Health and Housing Committee on applying a perceived underspend to mental health services was not carried.

The Lead Member for Finance and Resources stated that the Council had a strong culture of financial control but welcomed challenge from its committees. He commented that the Careline contract continued to be an area in need of further consideration but considered that demand-led services like children's social care, where there was an increasing number of children coming into care and higher costs for more complex needs and placements, provided wider challenge. On the Busen project, work was ongoing and a timetable to reach completion was in place.

RESOLVED:

- 1. That it be noted that the current projected underspend on the General Fund overall is £1.968m (excluding Covid-19 costs) which is more than offset by the expected in-year overspend on the Dedicated Schools Grant (DSG) (currently £3.282m).**
- 2. That the Council's forecast impact of Covid costs be noted.**

3. That the position on the Capital programme be noted.

105. Q2 QUARTERLY MONITORING REPORT

The Committee decided to consider this item alongside the Q2 Corporate Quarterly Monitoring Report (Minute 104).

RESOLVED:

- 1. That it be noted that the current projected underspend on the services for this committee is £3.204 million before Covid-19 related costs and income are taken into account. The Council's allocation of Covid-19 support grant received in 2020/21 (£6.7m) plus hardship fund (£1.1m) are all held within the remit of this committee.**
- 2. That the position on the Capital programme be noted.**

106. TREASURY MANAGEMENT OUTTURN 19/20 & MID YEAR REVIEW 20/21

The Director of Resources and Deputy Chief Executive advised that the context for Treasury Management had changed during the year with interest rates little above 0%. Government funding was largely front-loaded leading to stronger cashflow. Borrowing was also cheaper. In response to a question about the benefits arising from the Mayor of London's Energy Efficiency Fund (MEEF), the Committee heard that this loan was linked to street lighting. At 1.09% this was one third of the rates on offer from the Public Works Loan Board (PWLb) at the time and therefore was an advantageous loan.

RESOLVED:

- 1. That the risk control aspects of the Treasury Management Annual Report 2019/20 and Prudential Indicators in Appendix A be reviewed and noted.**
- 2. That the 2020/21 Mid-Year Review be considered and noted.**

107. FORWARD PLAN

As the items listed on the Forward Plan this time were few in number, the Lead Member for Finance and Resources, with the support of the Committee, encouraged Officers to add items in advance so that the programme of business was clear to all.

He asked that a report on the Digital Strategy be added for the next meeting of the Committee.

It was also noted that a further report on Twickenham Riverside would be added for the Committee's meeting in January, following the deliberations on the item this evening.

RESOLVED:

That the current list of items included on the Forward Pan for this committee be noted and the proposed additions agreed.

108. EXCLUSION OF PUBLIC AND PRESS

As the exempt information relating to the Twickenham Riverside – next steps and in principle use of CPO powers Report was considered but not disclosed, the Committee **Resolved** not to exclude the press and public from the meeting.

109. TWICKENHAM RIVERSIDE - NEXT STEPS AND IN PRINCIPLE USE OF CPO POWERS

RESOLVED:

The exempt information relating to the Twickenham Riverside – next steps and in principle use of CPO powers Report be noted and the recommendations approved as detailed in the public item.

CHAIR

The meeting, which started at 7:00 pm ended at 9:41 pm.