

MINUTES OF THE OVERVIEW AND SCRUTINY BUSINESS PANEL

Tuesday, 8 July 2014 at 7.00 pm

PRESENT: Councillors Alan Hall (Chair), Gareth Siddorn (Vice-Chair), Liam Curran, Brenda Dacres, Carl Handley, Jim Mallory, Jamie Milne, John Muldoon and John Paschoud

ALSO PRESENT:

Apologies for absence were received from Councillor Pauline Morrison

129. Minutes

RESOLVED that the minutes of the meeting held on July 8 2014 be confirmed and signed as a correct record.

130. Declaration of interests

There were none.

131. Outstanding Scrutiny Items

RESOLVED that the report be noted.

132. Decisions of Mayor and Cabinet 25 June 2014

Financial Outturn

The Head of Financial Services introduced the report. The Chair commented that there had been a number of overspends, which the Public Accounts Committee would be looking into. The Head of Financial Services said that the most significant budget pressure had been on migrants who were not asylum seekers, and the council was exercising its duty of care.

The Head of Financial Services stated that other pressures on the budget included looked after children, and work was being done within service units to move clients from high cost premises to ones that were cost effective. The Chair said that he had noted that the number of people living in Bed and Breakfast accommodation had gone up again, and this would add to the budget pressure

RESOLVED that the decision of the Mayor be noted.

Surrey Canal Sports Foundation

The Programme Manager, Regeneration and Asset Management Directorate introduced the report. The Chair asked what type of organisation the Foundation was, and was told that it was a Charitable Trust. The Chair asked who was financing the project. The Programme Manager, Regeneration and Asset

Management Directorate said that it was a complex set up, and explained the current Board Members and contributors to the project. The Chair said that Business Panel have a role to ensure that due diligence had been demonstrated throughout the process, and would need to establish who the developers and financiers were.

The Programme Manager, Regeneration and Asset Management Directorate, said that officers have all the documentation on how it was constituted, and its Terms of Reference. She added that this information could be made available to Panel Members. Councillor Curran stated that Panel Members were worried that the council was in the process of undertaking a very big project and the report they have seen so far looked vague. He added that it was important for Members to ensure that the next report to Mayor and Cabinet was explicit and detailed.

The Head of Financial Services said that the £1/2m mentioned in the report was only a pledge, and there was still work to be done before any money was committed. He added that the Council had to make some commitment to the project to enable other contributors to commit to the project. The Chair asked what the overall commitment of the Council was, as there was concern that the Council might be underwriting this project, and it seemed as if there was a lot of risk involved to make this project viable. He added that members needed to know what the Council was committing money to.

Councillor Paschoud said that he was concerned that the list on paragraph 4.1.3 was reported to be incomplete. He asked if Mayor and Cabinet was made aware of the names of the Trustees. The Programme Manager, Regeneration and Asset Management Directorate said this was not included in the report that went to Mayor and Cabinet.

Councillor Siddorn asked officers to explain para 6.2 of the report. The Programme Manager, Regeneration and Asset Management Directorate said that there had been some consultation with Southwark and the GLA, and they had stated that they would make a commitment once the host borough had made a pledge. It was noted that Sports England had pledged £2m. Councillor Siddorn asked whether the money would be released before the building was up and ready, and was told that the detail of the contract had to be drawn up.

The Chair said he could see a lot of public officials working with a private developer and using public money to go through public processes, such as planning permission. He added that members need to ensure that good governance was in place. The Programme Manager, Regeneration and Asset Management Directorate said that throughout the overall process professional officers have been involved including the Executive Director of Resources and Regeneration.

The Chair said that he could recall that in the Planning Application, the papers had indicated the proposed percentage of public and private use. It was noted that public use would be 20% and private use 80%. The Chair said that 20% was the minimum for the section 106 agreement and asked whether they intend to increase this. Councillor Curran said an intention was not guaranteed, and they could change their minds. He asked that there should be a specific figure in the contract, and further details on affordable sports facilities in the report to Mayor

and Cabinet. Councillor Curran also asked whether there were steps put in place to ensure that the Council could claw back money already paid if the project fails.

RESOLVED that:

- i. the decision of the Cabinet be noted.
- ii. a referral be made to the Cabinet on the following:

para 4.32 of the report stated that “whilst the section 106 agreement stipulates that, as a minimum, the centre should be available to local residents and students at the discounted rates for twenty percent (20%) of the proposed opening hours, it is envisaged that this figure will be vastly exceeded”. a more specific agreement that was less aspirational and more concrete, be made in the next report to Mayor and Cabinet

the cumulative financial exposure of the Council in past and present projects in the Surrey Canal Triangle, be presented in a discrete report;

the Cabinet be requested to instruct officers to include the names of the Trustees and Directors of the Foundation, in their next report to Mayor and Cabinet, and any links between the foundation and the developer be reported, and the report to include full due diligence on the developers;

Overview & Scrutiny Select Committees Work Programmes 2014/15

The Chair requested that all Select Committee Work Programmes be brought to the next Business Panel meeting on 29 July 2014. Councillor Mallory said that all the work programmes should include references from the manifesto. The Chair said he would discuss this with the Head of Corporate Policy and Governance, and would update Select Committees Chairs.

The Chair said that he would like to propose that a report be written for the Constitutional Working Party on the Terms of Reference for Select Committees in which he would be suggesting the responsibility for Libraries be transferred to the Safer and Stronger Communities Select Committee from the Healthier Communities Select Committee. Also as Chair of the Constitutional Working Party he would like to propose that Business Panel maintains the status quo as in the past 8 years, and have its membership remain at 10.

133. Exclusion of the press and public

134. Decisions of Mayor and Cabinet 25 June 2014

135. Decisions made by Executive directors under Delegated Authority

The meeting closed at 8:30pm.