

CORPORATE OVERVIEW AND SCRUTINY PANEL

MONDAY, 12 SEPTEMBER 2022

PRESENT: Councillors Gerry Clark (Chairman), John Story (Vice-Chairman), Simon Bond, Karen Davies, Gurpreet Bhangra, Lynne Jones, Helen Price, Julian Sharpe, Shamsul Shelim, Leo Walters and Simon Werner

Also in attendance: Councillors Andrew Johnson, Samantha Rayner, John Baldwin, Gurch Singh, Phil Haseler, Amy Tisi, Maureen Hunt, David Cannon, Jon Davey and Mandy Brar

Officers: Mark Beeley, Adele Taylor, Emma Duncan and Ian Brazier-Dubber

APOLOGIES FOR ABSENCE

Due to the recent passing of HM The Queen, those present observed a minutes silence.

An apology for absence was received from Councillor G Jones, Councillor Bhangra was attending the meeting as substitute. Councillor Hilton had also submitted his apologies, as one of the Cabinet Members invited to attend the meeting on the call in form.

Councillor Werner said that Councillor Bond would be late to the meeting.

DECLARATIONS OF INTEREST

The Chairman, Councillor Clark, said that he had previously been a member of Cabinet and had also attended meetings of the RBWM Property Company in his role as Cabinet Member for Highways and Infrastructure. He had also sat on the Maidenhead Development Management Committee when the application on St Cloud Way was considered. None of these interests were prejudicial and the Chairman confirmed that he was attending the meeting with an open mind.

Councillor Bhangra and Councillor Walters also confirmed that they had been present at the Maidenhead Development Management Committee meeting where the planning application on St Cloud Way had been considered.

MINUTES

Councillor Price said that on the performance management reports, the Panel had pointed out that they felt some of the information was not accurate. Councillor Price felt that the correct information would be supplied as an action, but this was not reflected in the minutes.

Councillor Werner agreed that this was what he thought was said at the meeting.

Mark Beeley, Democratic Services Officer, said that he was happy to look at the recording of the meeting and amend the minutes if appropriate.

ACTION – Mark Beeley to amend the minutes to accurately reflect the discussion, if appropriate.

Councillor Walters asked what the situation was on the homes bonus scheme.

Adele Taylor, Executive Director of Resources, confirmed that the council was still unaware of what would be happening with the new homes bonus scheme.

The Chairman commented on an action point for the RBWM Property Company, where the Panel had requested to be informed of who the legal advisors for the company were.

Ian Brazier-Dubber, Managing Director of RBWM Property Company, confirmed that the legal advisor was Gowling LLP, who were a nationally recognised top ten law firm.

Mark Beeley added that all updates from actions would be circulated in the actions table to Members of the Panel in advance of the next meeting in November.

Councillor Price said that a report had been considered at the last meeting which contained a number of small changes, it had been suggested that these changes could be highlighted to the Panel in future. She asked if this would be happening.

The Chairman agreed with this and reiterated the idea, which would save Panel Members time.

RESOLVED UNANIMOUSLY: That the minutes of the meeting held on 25th July 2022 were approved as a true and accurate record.

CALL IN - CEDAR TREE HOUSE, WINDSOR

Councillor L Jones was one of the Panel Members who had called in the decision for review. She said that officers recommendation on the Cabinet report had not been accepted and the reasons why this had not been accepted were not detailed or transparent. The decision taken by Cabinet was to sell at a loss, this was taken without considering any other options of sale. The council had an obligation to achieve best value, Councillor L Jones said that she would have preferred to see the report withdrawn at the time, with a future report containing detail of all of the options which could be taken. It was hoped that the Panel would be able to understand why the decision had been made and to refer the matter back to Cabinet for reconsideration.

Councillor Price added that a resident had spoken at the Cabinet meeting and offered another alternative, which was to convert the site into three studio apartments.

Councillor Shelim said that Cedar Tree House was important during the pandemic, however times had changed and the situation had moved on. The house was in the wrong place and there had been a number of complaints about the location, he wanted to support the decision made by Cabinet.

A public speaker, Karin Falkentoft, addressed the Panel. She lived in the property adjoining Cedar Tree House and there were a number of other residents in close proximity to the property. Karin Falkentoft supported the recommendation made by Cabinet, that the house should be sold as a family home. The original proposal which had been suggested by officers would be detrimental to local residents. She was not aware of anyone who felt that making the site into seven units was financially the correct choice. It was important to listen to local residents and businesses.

Councillor Johnson, Leader of the Council and Cabinet Member for Growth and Opportunity, said that the option of three separate flats would be considered along with the potential conversion to a single family dwelling. This was not clear from the draft Cabinet minutes but this was what had been discussed at the meeting. Councillor Johnson was happy for the decision to go back to Cabinet for consideration and that the option for three separate flats would be a consideration. He felt that it was likely to remain as a single family dwelling but all potential sale options should be explored. The sale of Cedar Tree House was at a time of optimum market value.

Councillor Werner felt that the council was faced with the consequences of a financial mistake. The decision needed to be considered thoroughly by Cabinet and he supported the proposal made by Councillor L Jones that the matter was referred back to Cabinet for consideration. It was important that if the council needed to dispose of this asset that it was done so at optimum market value or kept within the council's property portfolio.

Councillor Sharpe said the Panel needed to consider why Cedar Tree House had been purchased, it had been purchased to provide short term accommodation for people in need. The property had been purchased for the right reasons.

Councillor L Jones said that the call in had not occurred because the property was purchased for the wrong reasons. It was purchased for the right reasons but it was in the wrong place, due diligence needed to be put in place on properties that the council bought. The reason why officers recommendation was not agreed by Cabinet needed to be transparent and the options on the sale of the property needed to be explored.

Councillor Davies said that there had been a number of residents concerned about the location of the property. She felt that it would be sustainable as key worker accommodation, all of the options had not been explored and she supported the idea of Cabinet reconsidering the decision.

Councillor Price welcomed the comments made by Councillor Johnson, that the option of splitting the property in to three flats would be considered. However, this was not reflected in the draft minutes of the Cabinet meeting. She reinforced the points made about transparency, which was a key part of the RBWM Corporate Plan. Councillor Price had come across a community strategy and wondered whether this strategy had been given enough thought when purchasing Cedar Tree House.

Councillor Johnson noted the point made by Councillor Davies about key worker accommodation. He had requested that discounted market rent for key workers be included as part of the options appraisal, however, this would not have been an economically viable option. On the comments made by Councillor Werner about the property being a financial mistake, Councillor Johnson responded by saying that the decision had been agreed at Full Council. There had been a significant increase in the inflation of build costs since the property was purchased and an additional £500,000 would need to be added to the budget for any works. There was concern that this would not be the final figure and this was a reflection of the current economic climate. Temporary accommodation was needed in the borough and therefore collective action was needed.

Councillor Shelim said that the council had bought the property to provide temporary accommodation. The property was in the wrong location and Cedar Tree House therefore needed to be used for something else. He could not see how any further investment would be beneficial for the council.

Councillor Price said that Full Council had not approved the decision. The decision had been made by officers and went to Full Council as an urgent decision. RBWM Property Company were experts in property and therefore would be able to make the best decision on what to do with Cedar Tree House.

Councillor L Jones said that Councillor Johnson had agreed with her proposal to take the decision back to Cabinet to look at the options for sale. She would like more information on why the property was not suitable for temporary accommodation, to provide transparency to residents.

Adele Taylor clarified that if the matter was referred back to Cabinet, the report would be the same one which was originally considered. However, further discussion from Cabinet Members could take place at the meeting.

Councillor Story said that it was clear from the report what the risks were of going ahead with £500,000 of expenditure, there was a planning risk, inflation risk and the income reduction risk. He understood why Cabinet had made the decision and gone against the recommendation made by officers.

Councillor Johnson said that he agreed with the way forward suggested by Councillor L Jones. At the Cabinet meeting, the option of Cedar Tree House being converted into three flats had been discussed although this was not reflected in the minutes. It would be useful for Cabinet to discuss the two sale options again, Councillor Johnson thanked scrutiny for their input.

Councillor Walters said that he was happy with the suggestion for the matter to be referred back to Cabinet.

Councillor Werner said a role of scrutiny was to look at process, he suggested that Ward Members should have been consulted before the emergency purchase of Cedar Tree House had taken place.

Councillor Bhangra asked which ward Cedar Tree House was located in.

He was informed that it was in the Eton and Castle ward, represented by Councillor Rayner, Councillor Shelim and Councillor Bowden.

Councillor L Jones suggested that scrutiny should be included in processes where there were significant financial considerations.

The Chairman said that Panel Members were also able to contact Cabinet Members to raise any questions or comments.

Adele Taylor said that the decision taken at Cabinet was not about the purchase of the property. Cabinet had considered the decision on the need for additional capital. She said she was happy to consider the process around decisions with significant financial considerations, circumstances were different when Cedar Tree House was bought because it was an urgent decision. However, in future scrutiny and Ward Members could be consulted.

Councillor Werner said it would be good to bring the decision back to the Panel in future.

Councillor Baldwin commented on the Cabinet minutes which Councillor Johnson had made reference to. The decision on notice from Cabinet had already been made, published and was in the public domain and therefore it was a matter of changing the decision of Cabinet.

Councillor Bond arrived at the meeting.

RESOLVED UNANIMOUSLY: That the Corporate Overview and Scrutiny Panel agreed to refer the matter back to Cabinet, to discuss and reconsider the sale options for Cedar Tree House.

CALL IN - ST CLOUD WAY

Mark Beeley explained that the call in on St Cloud Way would be initially considered in Part I, allowing a public speaker to address the Panel and initial comments from Members to be made. The Panel would then move to Part II for the rest of the discussion.

Councillor L Jones questioned whether the sale of the St Cloud Way site needed to take place at the current time, if it applied with the council's adopted plans and strategies and if the council was getting best value, in terms of finance and the demand for affordable housing.

A public speaker, Mr Andrew Hill, addressed the Panel. He understood that the meeting would move to Part II but private details of the site had been reported in the press. He had a number of questions for officers:

- Was the land currently owned by the council?
- Was the decision to put the land forward for planning permission one taken in conjunction with officers or Members of RBWM?
- Did officers agree that for the press and public to be legitimately excluded from Part II discussions, that the answer needed to be 'no' to the two questions above?
- Did the meeting contain any information which had to be disclosed under the Companies Act?
- Officers needed to ensure that the public interest in maintaining the exemption outweighed the public interest in disclosing the information, Mr Hill asked for confirmation that this was the case.

Emma Duncan, Monitoring Officer and Director of Law, Strategy and Public Health, said that residents were entitled to ask questions at meetings and officers were not obliged to reveal anything which could prejudice the position of the council. She suggested that officers sought legal advice before answers were provided to Mr Hill's questions. Part II was necessary for private discussions, irrelevant of whether some details had been leaked to the press. Emma Duncan was satisfied that the right exemption had been applied in this case.

The Chairman said that a response to the questions raised would be provided to Mr Hill after the meeting.

ACTION – Answers to Mr Hill's questions to be provided after the meeting.

Councillor Johnson said that he was extremely disappointed that information had been leaked to the media, Part II information was confidential for a reason. An unprecedented amount of information and reports had been shared in Part I. This was the third piece of information leaked to the media, all of which was related geographically to St Cloud Way. It damaged the council and also trust in elected Members, along with the relationship the council had with businesses and organisations. Councillor Johnson had assurances from the Conservative Group that they had not leaked the information, it was disappointing that someone wanted to undermine the position of the local authority.

Councillor L Jones felt that the comments made were not needed in scrutiny. She did not feel it was appropriate to have this conversation at the meeting.

The Chairman understood the genuine concerns raised by Councillor Johnson but it was important to consider the matter in hand.

Councillor Baldwin said that he felt that Councillor Johnson was accusing a Member of the Opposition or an officer of the council of leaking the information. He said that a serious investigation should be called, rather than making remarks at scrutiny.

Councillor Johnson said that it undermined the position of the council and the ability of scrutiny to hold the executive to account effectively.

Councillor Werner said that he was upset about the accusation from Councillor Johnson, he had received assurances from the Liberal Democrat Group that they had not leaked the information. Councillor Werner requested an apology from Councillor Johnson.

Councillor Johnson said that he had not made an accusation, he thanked Councillor Werner and Councillor L Jones for their assurances from their respective groups. He was frustrated that this was the third time a leak of confidential information had happened.

The Chairman said that there would be an investigation on the leak, the Panel needed to move to Part II to continue the discussion on St Cloud Way.

A summary of the Part II discussion:

The Panel discussed the land value for the St Cloud Way site which was different to the one which had been put forward in 2017. The Members which had signed the call in form were concerned that the council was not achieving 'value for money' and that the decision to sell the land for the sum stated should be reconsidered. There was also concern that the business plan that had been put together for the construction of Braywick Leisure Centre included selling the land at St Cloud Way for the sum which had been advertised in 2017.

Officers had explained that the land value could change when plans for the development of the site were proposed and finalised, along with when planning consent was granted. The amount of affordable housing planned for a site could also affect the land value, while other impacts on the land value included the increase in construction costs and the current economic climate. RBWM was in a contract with the developers of the site which meant that the land needed to be sold, otherwise the council could incur additional financial penalties. The council had a guarantee that the land could not be sold for a lower amount than the residual land value, while there was also an overage clause to ensure the council benefited from any increase in the sales value of properties on the site.

Members of the Panel questioned the impact of the new land value on the Medium Term Financial Strategy of the council and whether this could have an impact on other projects and services that the council provided.

Officers informed the Panel that schemes should not be factored into plans until they had received planning consent, to ensure that the council did not rely on income which did not then materialise. The capital cashflows were updated throughout the year and slippage also had to be factored into the plan.

After the discussion on the item, it was decided that the council needed to progress with the decision. Members of the Panel requested that background documents were provided showing the original land valuation of the site in 2017, along with the dates where changes to the land value had been taken to Cabinet.

RESOLVED: That the Corporate Overview and Scrutiny Panel took no further action, therefore the decision could be implemented immediately.

LOCAL GOVERNMENT ACT 1972 - EXCLUSION OF THE PUBLIC

RESOLVED UNANIMOUSLY: That under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the remainder of the meeting whilst discussion took place on the grounds that they involved the likely disclosure of exempt information as defined in Paragraphs 1-7 of Part I of Schedule 12A of the Act.

The meeting, which began at 7.00 pm, finished at 9.55 pm

CHAIRMAN.....

DATE.....