

**EXECUTIVE, RESOURCES AND CONTRACTS POLICY DEVELOPMENT  
AND SCRUTINY COMMITTEE**

Minutes of the meeting held at 7.27 pm on 19 March 2019

**Present:**

Councillor Simon Fawthrop (Chairman)  
Councillors Gareth Allatt, Julian Benington,  
Nicholas Bennett J.P., David Cartwright QFSM,  
Mary Cooke, Ian Dunn, Robert Evans, Will Harmer,  
Christopher Marlow, Russell Mellor, Keith Onslow (Vice-  
Chairman), Michael Rutherford, Stephen Wells and  
Angela Wilkins

**Also Present:**

Councillor Graham Arthur, Portfolio Holder for Resources,  
Contracts and Commissioning  
Councillor Colin Smith, Leader of the Council

**123 APOLOGIES FOR ABSENCE AND NOTIFICATION OF  
SUBSTITUTE MEMBERS**

Apologies for lateness were received from Cllr Will Harmer.

**124 DECLARATIONS OF INTEREST**

Councillor Onslow declared an interest as a former employee and current pensioner of Zurich Municipal. Councillor Onslow also declared an interest as a former employee of the Royal Borough of Greenwich.

**125 QUESTIONS FROM COUNCILLORS AND MEMBERS OF THE  
PUBLIC ATTENDING THE MEETING**

No questions had been received.

**126 MINUTES OF THE EXECUTIVE AND RESOURCES PDS  
COMMITTEE MEETING HELD ON 7 FEBRUARY 2019  
(EXCLUDING EXEMPT ITEMS)**

The minutes of the meeting held on 7<sup>th</sup> February 2019, were agreed and signed as a correct record.

**127 MATTERS ARISING AND WORK PROGRAMME  
Report CSD19048**

The Committee considered a report setting out matters arising from previous meetings and a draft of the proposed Work Plan for 2019/20. The report also set out proposals to decommission the Contracts and Commissioning Sub-

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Committee. It was noted that once the Transformation Programme was under way Members may wish to give further consideration as to whether a new Sub-Committee was required to monitor the progress and implementation of the Programme.

In respect of Minute 111 (Risk Management) a Member sought an update on the ACM clad building. The Director of Finance reported that the matter was referred to the Council's Directors Group. The conclusion was that on the basis that it was not a Council owned building, and the Council role related to enforcement matters it would not be included in the Risk Register. A Member expressed concern suggesting that there was a reputational risk to the Council. In response, the Chairman noted that there were numerous risks to the Council arising from third parties that were not included on the Risk Register.

In response to a question, the Director of Finance agreed to follow up the request for the date that the debt management system would be implemented with consideration given to late payment charges for commercial debt after the meeting.

The Council's Heritage Champion reported that he had not yet received an update in respect of plans for the windows in the Old Palace. It was agreed that the Clerk would follow this up with the relevant Officers.

In response to a question concerning the marketing of the Ann Springman and Joseph Lancaster blocks, the Director of Finance reported that a number of bids had been received and a further update would be provided at a future meeting.

Turning to the issue of decommissioning the Contracts and Commissioning Sub-Committee, a Member expressed concern that not all Members had been consulted about the proposals. It was noted that in the absence of the Commissioning Board there were a large number of questions being raised about levels of scrutiny. It was suggested that an update should be provided to the next meeting. In response, the Chairman confirmed that as soon as further details around the Council's Transformation agenda emerged the Executive, Resources and Contracts PDS Committee would be able to ensure that sufficient levels of scrutiny were in place. Members of the Committee noted that the Contracts and Commissioning Sub-Committee had done a great deal of good work and that there was now a clear role for PDS Chairman to ensure that any contracts considered by the Committees received an adequate level of detailed scrutiny. It was also noted that a Procurement Board had been established to provide oversight of contract procedures in order to give assurances to Members and Chief Officers. The Director of Finance confirmed that any key issues that arise out of the transformation process would be reported to the Executive which allows pre scrutiny through Executive, Resources and Contracts PDS Committee. A Member noted that, to date, the only group of Members who had reviewed the Transformation Agenda was the Contracts and Commissioning Sub-

Committee and that group was now being decommissioned. Members needed assurances that there would be adequate scrutiny and it was suggested that a Transformation Update should be presented to the June meeting of the Executive for pre-decision scrutiny by the Executive, Resources and Contracts PDS Committee at its first meeting of the new municipal year. The Chairman suggested that the Executive should consider including an Update on the Transformation Programme as a standing item on each Executive agenda. This would enable scrutiny by the Executive, Resources and Contracts PDS Committee.

The Leader of the Council emphasised that the Transformation Programme was still going through its formative stages. The Interim Chief Executive had undertaken to report back to the Executive in September 2019 and any reports arising from the initial work would be reported through relevant Committees for consideration by Members.

**RESOLVED: That**

- 1. Progress on matters arising from previous meetings be noted;**
- 2. The draft Work Programme for 2019/20 be noted; and**
- 3. The Contracts and Commissioning Sub-Committee be decommissioned.**

**128 FORWARD PLAN OF KEY DECISIONS**

The Committee noted the Forward Plan of Key Decisions covering the period March 2019 to June 2019. A Member sought assurances that the Transport Services Gateway Report would be considered by the Education, Children and Families Budget and Performance Monitoring Sub-Committee prior to consideration by the Executive in May.

**129 RISK MANAGEMENT  
Report FSD19030**

The Committee considered a report which provided Members with the most recent Risk Registers for the areas falling under the Committee's remit.

The Chairman noted that a couple of the risks had now moved from red to amber and the Committee was advised that in future a comment concerning the direction of travel would be included in the information presented to Members.

The Committee noted that the two most significant risks to the Council were financial stability and data protection.

In response to a question on well publicised financial risks facing some national contractors, the Director of Finance confirmed that for big contracts; representatives from the Local Authority meet with senior managers from the contractor. Where there were concerns about the future viability of a contractor standard credit reference agency checks would be conducted.

In terms of mitigating risks around commissioning, a Procurement Board had been established. The Board had met and going forward would provide assurances that the processes initially established by the Contracts and Commissioning Sub-Committee and the Commissioning Board were embedded.

**RESOLVED: That the report be noted.**

**130 QUESTIONS TO THE PORTFOLIO HOLDER FROM MEMBERS OF THE PUBLIC AND COUNCILLORS ATTENDING THE MEETING**

No questions were received.

**131 RESOURCES, COMMISSIONING AND CONTRACTS PORTFOLIO - PRE-DECISION SCRUTINY**

The Committee considered the following report(s) where the Resources, Contracts and Commissioning Portfolio Holder was recommended to take a decision.

**a RESOURCES, COMMISSIONING & CONTRACTS MANAGEMENT PORTFOLIO - CAPITAL MONITORING 2018/19 QUARTER 3 Report FSD19029**

On 13<sup>th</sup> February 2019, the Executive received a report summarising the current position on capital expenditure and receipts following the third quarter of 2018/19. The Executive agreed a revised Capital Programme for the five year period 2018/19 to 2022/23.

Members noted that the Banbury House site may still be developed for housing however the capital scheme was for demolition and site clearance which was required.

**RESOLVED: That the Portfolio Holder be recommended to note and confirm the changes agreed by the Executive on 13<sup>th</sup> February 2019.**

**132 PRE-DECISION SCRUTINY OF EXECUTIVE REPORTS**

The Committee considered the following reports on the Part 1 agenda for the meeting of the Executive on 27 March 2019:

**(5) BUDGET MONITORING 2018/19  
Report FSD19039**

The Committee considered a report providing the third budget monitoring position for 2018/19 based on expenditure and activity levels up to the end of December 2018. The report also highlighted any significant variations which would impact on future years as well as any early warnings that could impact on the final year end position.

Noting the challenges around bridging the future budget gap, the Chairman stressed the need to identify extra savings in order to provide for a contingency for future years.

In response to a question concerning the drawdown of £500k from central contingency for the Transformation Programme, the Director of Finance confirmed that there was funding in earmarked reserves for invest-to-save initiatives and this funding would be required in future for any projects arising out of the Transformation Programme.

The Director of Finance also confirmed that it was likely that the investment cost of the Council's Housing transformation strategy could exceed £7.5m and schemes would need to be reviewed and future options considered for the longer-term.

A Member highlighted the sum of £500k included in the central contingency from the additional savings and income expected to be generated from the incentivised work undertaken by Cushman and Wakefield. However, the Member emphasised the Council should have itself been in a position to identify the one-off refunds on past years business rates across a range of Council properties at an earlier stage.

The Committee reminded Officers that where acronyms were used they should initially be spelt out for clarity.

**RESOLVED: That the Executive be recommended to:**

- 1. consider the latest financial position;**
- 2. note that a projected net overspend on services of £648k is forecast based on information as at December 2018;**
- 3. consider the comments from Chief Officers detailed in Appendix 2 of the report;**
- 4. note a projected variation of £221k credit from investment income;**
- 5. note a projected variation of £826k in the Central contingency;**
- 6. note a projected increase to the General Fund balance of £1,068k;**

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- 7. agree to the release of £376k from the 2018/19 Central Contingency relating to additional savings and income from the Amey contract;**
- 8. agree to the release of £200k for the staff merit award from the 2018/19 Central Contingency;**
- 9. agree to the release of £200k for Civic Centre improvements from the 2018/19 Central Contingency to an earmarked reserve;**
- 10. agree to the release of £500k for the Transformation programme from the 2018/19 Central Contingency to an earmarked reserve;**
- 11. note the return to contingency of £227k of additional grant to the 2018/19 Central Contingency;**
- 12. note the return to contingency of £500k of grant to the 2018/19 Central Contingency and the recommended use of this grant;**
- 13. agree to set aside £187k of the Adult Social Care grant for the implementation of Pre Paid cards in 2019/20;**
- 14. note the release of £744k Adult Social Care grant income from the 2018/19 Central Contingency;**
- 15. agree to the release of £1,190k for Social Care Investment to ease NHS Winter pressures from the 2018/19 Central Contingency;**
- 16. recommend to Council that £7.5m be set aside in the Housing Investment Fund earmarked reserve from underspends in the 2018/19 Central Contingency for the Council's Housing transformation strategy;**
- 17. note that reports elsewhere on the agenda request the drawdown of £2,489k relating to Housing from the central contingency;**
- 18. note the Dedicated Schools Grant balance, the increased funding and the use of that funding in 2019/20;**
- 19. agree to allocate £75k from the Growth Fund to cover the costs of the West Wickham BID project;**
- 20. agree that a sum of £900k be set aside within an earmarked reserve;**
- 21. note the full year cost pressures of £6.5m;**
- 22. identify any issues that should be referred to individual Portfolio Holders for further action.**

**(7) CONTINGENCY DRAWDOWN: HOMELESSNESS AND  
TEMPORARY ACCOMMODATION PRESSURES  
Report CS18209**

The Committee considered a report which provided an update on homeless numbers during 2018/19, the range of initiatives undertaken to wherever possible reduce the associated rising budget pressures, and forthcoming challenges arising from both the introduction of the Homelessness Reduction Act 2017 and the commencement of universal credit roll-out in Bromley. The report also requested drawdown of £2,489k from the central contingency for homelessness and welfare reform pressures, and the impact of the Homeless Reduction Act.

In response to a question from the Chairman, the Director of Finance confirmed that the funding had been placed in the central contingency with an expectation that there would be a report back to Members seeking the release of the funding. Effectively once the funding was release it would be built into the housing budget. This approach was taken to avoid creating a departmental underspend in the event that the funding was not required. The approach provided a degree of rigor and scrutiny as funding would only be released on the basis of justification.

The Director of Housing reported that the drawdown request was less than that initially predicted.

In response to a question from a Member, the Director of Housing confirmed that at the time the report was written there were 1,601 households placed in temporary accommodation.

A Member commended the Director of Housing for all the work she had done in relation to the management of temporary accommodation at St Benedict's in Copers Cope Ward and as a result of this work Ward Members would be extremely positive about supporting similar schemes in the future.

The Chairman and all Members of the Committee thanked the Director of Housing for the support she provided to Members which was very much appreciated. It was noted that all Members recognised the hard work of the Director of Housing.

**RESOLVED: That the Executive be recommended to release a total of £2,489k from the 2018/19 Central Contingency; £1,739k set aside to offset the current homelessness and temporary accommodation budget pressures, and £750k for the impact of the Homeless Reduction Act.**

**(8) CONTRACT AWARD: INSURANCE POLICIES  
Report FSD19044**

The Committee considered a report setting out the results of the tender process and recommending the award of contracts following the approval of

the Executive on 21<sup>st</sup> May 2018 to tender for the provision of insurance policies.

In discussing the item, some Members expressed concerns surrounding the lotting structure of the tender which it was suggested had not appeared to deliver value for money. In response the Head of Adults, Health and Housing Finance confirmed that the structure of the tender and the documentation had been produced in line with advice from the Council's broker.

Members stressed that further work was required in order to deliver value for money. As a result of this the Committee recommended to the Executive that Officers should be instructed to consider if any further work was required prior to a decision being taken.

**RESOLVED: That the Executive be recommended to consider if any further work is required in order to deliver value for money.**

### **133 SCRUTINY OF THE LEADER**

The Leader of the Council, Councillor Colin Smith, attended the meeting to respond to questions from the Committee. Councillor Smith gave a brief introduction highlighting the following issues:

- It had been a relatively quiet period following settlement of the Council's 2019/20 budget.
- The Adult Education Service had received a Good outcome from its Ofsted Inspection.
- The new Director of Education was now in post.
- The new Interim Director of Adult Social Care, Kim Carey, had recently joined the Council.
- Challenges around the recruitment and retention of social workers remained ongoing.
- The Children's Services Improvement Governance Board had met for the final time on 8<sup>th</sup> March 2019. This was indicative of the substantial improvement in the Service. The Leader thanked the Independent Chairman of the Governance Board, Mrs Isobel Cattermole, for the support she had given to the Council in driving the improvement process.
- The Government's Spring Budget Statement had failed to deliver the much needed clarity being sought surrounding the Local Government Financial Settlement. Significant budgetary challenges remained and these would be addressed as much as possible through the Council's new Transformation Agenda. There was a clear need to drive efficiencies and income generation as much as possible as well as managing future growth in areas such as Adult's and Children's Social Care.

- Within Housing; exciting projects were developing around temporary accommodation and homelessness.
- The new Environment Contract was being implemented.
- Moving forward there would be an increasing need for closer partnership working in terms of addressing the issues affecting the residents of Bromley. Integration with partners in the Health Service was key to eradicating the unnecessary duplication of services, delivering savings, and delivering service improvement for the end user.

Councillor Smith then responded to questions, making the following comments:

- Processes around the Transformation Agenda were being driven by the Interim Chief Executive. Once projects had been further scoped reports would be presented to the Executive (and the Executive, Resources and Contracts PDS Committee for pre-decision scrutiny). However, the first part of the process was owned by the Interim Chief Executive who would develop recommendations for consideration by the Leader and Executive.
- The Portfolio Holder for Renewal, Recreation and Housing was leading on matters relating to the Vision for Crystal Palace Park. All options could be considered as and when they emerged. As soon as there was a substantive update a meeting of the Crystal Palace Park Working Group could be convened.
- There were currently a number of Interim posts across the Authority whilst consideration was being given to the structure of the Council going forward. If an Interim were to be made permanent the established recruitment processes would need to be followed and in the case of a Director-level appointment a Member Appointment Panel would need to be convened.
- In relation to more costly secure accommodation for young people in the care of the Local Authority, all options for invest-to-save would be considered. It was noted that recently the Education, Children and Families Select Committee had recommended that pan-London discussions should take place concerning options for increasing the supply of secure placements due to the high costs involved.
- In terms of staff vacancies across the Council there would be a natural level of turnover which in some cases would be around 7%; in departments and sections where that rate was higher, usually those areas where it was accepted that recruitment and retention was more challenging, there was a clear need to make Bromley a destination of choice.
- It was noted that the Government was currently consulting on the devolution of business rates with a suggestion that 75% be devolved. One of the main challenges for Bromley was to maximise opportunities for businesses. It was noted that within LB Southwark businesses located in The Shard and around that location delivered significant

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growth in business rates at a scale that would not be realistically possible in Bromley. For this reason addressing the inequity of the funding settlement had to be a key priority. The Director of Finance noted that were Bromley to be in the London Business Rate Pool it would receive a share of the growth across London.

- The whole area of Artificial Intelligence would be important going forward. There was currently a small team of Council staff trying to get ahead on the issues and a series of meetings with other Councils were under way. The Interim Chief Executive was sighted on the issues which would form part of the Transformation Agenda.

The Chairman asked that the Committee be provided with a list of all the Interim staff contracts along with the duration of the contract. Members also asked for a comparison of the rates of pay of Interim staff and permanent staff.

The Committee thanked the Leader for his attendance at the meeting and insightful update.

**134            SCRUTINY OF THE TOTAL FACILITIES MANAGEMENT CONTRACT (AMEY)  
Report DRR19/022**

The Committee considered a report providing an update on the cleaning of Council premises as undertaken by the Council's appointed Total Facilities Management (TFM) provider Amey.

Darren Nolan of Amey attended the meeting to respond to questions. In response to a question from the Chairman, Mr Nolan reported that performance on the contract was steady. It was acknowledged that a few issues arose from time to time, especially in respect of recruitment and retention of cleaning staff however; Amey had been delivering to contract and no financial penalties had been incurred. In response to a question, Mr Nolan reported that he understood that issues relating to the pest infestation and the drainage in the ladies in toilets in St Blaise had been resolved.

The Chairman highlighted that the broken light in the Council Chamber that he had reported a number of months previously had still not been replaced. This reflected badly on the Council when members of the public attended meetings and did not look professional. The Chairman stressed the need to ensure that the Council Chamber light was listed on any reports as a failure as it had taken too long to replace. Mr Nolan explained that the cost of fixing the Council Chamber lights would fall to LB Bromley and due to the location of the specific light it was costly to secure the equipment that was required to replace the bulb. In an effort to deliver value for money, there was generally a delay to replacing the bulbs so that more than one light fitting could be replaced at a time. Members of the Committee expressed concern surrounding this approach due to the poor perception of the Council it gave to any Council visitors.

A Member also raised concerns surrounding the disposal of waste at the Rochester Avenue entrance to the Civic Centre site. The co-location of the general waste bins and the recycling points presented a bad first impression of the Council. In addition to this it was a known location for fly-tipping. In response, the Facilities and Support Client Services Manager reported that discussions were underway in respect of re-locating the recycling point somewhere more appropriate. It was hoped that this work would be completed within a couple of months. The Committee noted that the Council had a separate provider for general waste. Due to the structure of the contract, Amey were not responsible for and therefore not equipped to deal with fly-tipping.

In response to a question, Mr Nolan explained that when the contract was let Amey inherited a set of service level agreements that were already embedded in the Borough. Generally performance targets were met. In terms of day-to-day fault resolution, Amey was reliant on people across the Civic Centre site reporting and logging issues as there was not the resourcing in place at the Civic Centre site to proactively identify issues. It was acknowledged that more may need to be done to make users of the Civic Centre site aware of the need to report issues as well as ensuring that staff were aware of what would be done to resolve issues.

A Member emphasised that many of the problems across the Civic Centre estate went back a long way and were a result of the older buildings in which the offices were generally located. It was suggested that if any new buildings were commissioned in the future there was a need to ensure that that maintenance of the building was easy and cost effective.

In response to questions concerning the barriers to the Rochester Avenue car park and the toilet cleaning log; Mr Nolan confirmed that there had been some issues with the Rochester Avenue car park barriers. Engineers had been on site during the day although the reason for the fault remained unclear and it was not yet clear whether the repair was finalised. It was agreed that further feedback in respect of the car park barriers would be provided to the Committee when it was available. In terms of the toilet cleaning log, schedules for cleaning how now been placed in every toilet. Cleaners were now expected to put an initial and time on the schedule when the toilets were cleaned. It was clear that some staff would require some further training to ensure the schedules were updated appropriately but managers were aware of this. In response to a question concerning the number of days over the last five years that the community toilets had not been available for use, the Facilities and Support Client Services Manager reported that this information was not available but could be provided following the meeting.

In response to a series of questions from Members, Mr Nolan explained that there were 14 cleaners across the civic centre site who largely worked outside of core business hours. There was a skeletal crew on site during the

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operational day. Amey now had far fewer problems recruiting cleaning staff however it remained difficult to manage unplanned absence.

Turing to the issue of the relocation of the Members mail, the Facilities and Support Client Services Manager confirmed that the main rationale for the relocation of Members mail was the consolidation of the printers. Members raised issues surrounding out of hours accessibility. It was suggested that consideration should be given to installing swipe card access at the main front entrance and the door to the Members Room.

The Chairman and the Committee congratulated Mr Nolan on the excellent work that had been completed by Amey in respect of the redecoration of P11 (The Chairman's Room).

The Chairman confirmed that he had requested that Amey attended every meeting to provide the Committee with a verbal update until there were identifiable improvements in the overall Service.

**RESOLVED that the update be noted and that representatives from Amey attend all future meetings to provide a verbal update until there are identifiable improvements in the Service.**

**135 ANNUAL POLICY DEVELOPMENT AND SCRUTINY REPORT  
2018/19  
Report CSD19023**

The Committee noted the Annual Policy Development and Scrutiny Report for 2018/19. Any further comments and amendments would be incorporated by Democratic Services prior to Submission to Full Council on 8<sup>th</sup> April 2018.

**RESOLVED: That the Annual Policy Development and Scrutiny Report be approved for submission to Full Council.**

**136 LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE  
LOCAL GOVERNMENT (ACCESS TO INFORMATION)  
(VARIATION) ORDER 2006, AND THE FREEDOM OF  
INFORMATION ACT 2000**

**RESOLVED that the Press and public be excluded during consideration of the items of business referred to below as it is likely in view of the nature of the business to be transacted or the nature of the proceedings that if members of the Press and public were present there would be disclosure to them of exempt information.**

**The following summaries  
refer to matters involving exempt information**

**137 EXEMPT MINUTES OF THE MEETING HELD ON 7 FEBRUARY  
2019**

The Part 2 (exempt) minutes of the meeting held on 7<sup>th</sup> February 2019, were agreed and signed as a correct record.

**138 PRE-DECISION SCRUTINY OF EXEMPT EXECUTIVE  
REPORTS**

The Committee considered the following reports on the Part 2 agenda for the meeting of the Executive on 27 March 2019:

**(12) CONTRACT AWARD: INSURANCE POLICIES  
Report FSD19044**

The Committee considered a report setting out Part 2 (exempt) information concerning the tender process for the provision of insurance policies relating to the bids receive and scoring. The Committee recommended that the Executive defer its decision to enable more work to be undertaken in relation to value for money.

The Meeting ended at 10.10 pm

Chairman