

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

Minutes of the meeting held at 7.00 pm on 9 October 2019

Present:

Councillor Simon Fawthrop (Chairman)
Councillor Christopher Marlow (Vice-Chairman)
Councillors Gareth Allatt, David Cartwright QFSM,
Mary Cooke, Ian Dunn, Nicky Dykes, Robert Evans,
Will Harmer, Christine Harris, Russell Mellor,
Melanie Stevens, Michael Tickner, Stephen Wells and
Angela Wilkins

Also Present:

Councillor Graham Arthur, Portfolio Holder for Resources,
Commissioning and Contracts Management
Councillor Kira Gabbert, Executive Assistant for
Resources, Commissioning and Contracts Management

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

Apologies were received from Councillor Benington and Councillor Rutherford. Councillor Melanie Stevens and Councillor Harris attended as their respective substitutes. Councillor Dykes and Councillor Harmer submitted apologies for absence.

67 DECLARATIONS OF INTEREST

Councillor Simon Fawthrop declared an interest as an employee of British Telecom (BT) and left the room during consideration of Item 11 on the Executive Agenda (Minute 75(11) and 82(11)) – Customer Services IT System Review. Councillor Marlow took the Chair for the duration of this item.

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

No questions were received.

**69 MINUTES OF THE EXECUTIVE AND RESOURCES PDS
COMMITTEE MEETING HELD ON 11th SEPTEMBER 2019
(EXCLUDING EXEMPT ITEMS)**

The minutes of the meeting held on 11th September 2019 were agreed, and signed as a correct record.

9 October 2019

**70 MATTERS OUTSTANDING AND WORK PROGRAMME
Report CSD19151**

The Committee considered a report setting out matters outstanding from previous meetings and the proposed work plan for 2019/20.

Councillor Marlow, Chairman of the S.106/CIL Task and Finish Group reported that invitations to join the work group would be sent out early the following week. It was noted that the optimum number of Members for the working group was 7. To date, the following Members had expressed an interest on sitting on the Task and Finish Group – Cllrs Marlow, Fawthrop, Wells, Wilkins. Councillor Melanie Stevens requested that either she or Cllr Benington have a seat on the Group. Councillor Marlow confirmed that it would be a time limited Task and Finish Group.

The Committee noted that a meeting had taken place between Councillor Allatt, the Head of Asset and Investment Management, and Cushman and Wakefield. It was anticipated that the Property Review would be available by the end of the month and an update would be provided to the Committee in the New Year.

RESOLVED: That

- 1. Progress on matters outstanding from previous meetings be noted; and**
- 2. The Work Programme for 2019/20 be noted.**

71 FORWARD PLAN OF KEY DECISIONS

The Committee noted the Forward Plan of Key Decisions covering the period October 2019-January 2020. Members noted that a few of the items listed on the Forward Plan for consideration by Executive in October were not on the Executive agenda. The Chairman stressed the importance of ensuring that the Forward Plan was kept up to date in order to ensure that the public had a clear understanding of when decisions were due to be taken.

In response to a question, the Chief Executive confirmed that the decision entitled 'Women in Refuge – Authority to Tender' should be considered by both the Renewal, Recreation and Housing PDS Committee and the Adult Care and Health PDS Committee. The Chairman suggested that it would be helpful if this were considered as a joint item.

**72 RISK MANAGEMENT
Report FSD19083**

The Committee considered a report providing the Gross 'High' (Red) rated risks from the Corporate Services, Finance and, Human Resources and Customer Services Risk Registers together with the latest iteration of the Transformation Programme Risk from the Corporate Risk Register.

In opening the discussion the Chairman queried whether any risks were likely to have their 'RAG' rating changed and the Head of Audit and Assurance confirmed that there had been no salient changes since the last update to Committee in July 2019. The full Corporate Risk Register would be considered by the Audit Sub-Committee the following week and the Executive, Resources and Contracts PDS Committee would consequently receive the full Risk Register at its next meeting.

RESOLVED: That the report be noted.

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

No questions had been received.

**74 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 INSURANCE FUND - ANNUAL REPORT 2018/19
 Report FSD19089**

The Committee considered a report advising Members of the position of the Insurance Fund as at 31st March 2019, and presenting statistics relating to insurance claims for the last two years. In 2018/19, the total fund value increased slightly from £3.7m to £4.0m. A mid-year review of the fund had also been carried out and, at this stage, it was estimated that the final fund value as at 31st March 2020, would remain approximately the same with the position monitored throughout the year.

In response to a comment from the Chairman, the Insurance and Risk Manager confirmed that future reports could provide details of the spread of claims throughout the year to enable Members to identify any emerging trends. The Insurance and Risk Manager reported that there had been a downward trend in claims since 2014, apart from the previous year when there had been bad weather at the beginning of the year. Members highlighted that it was also important for them to be able to identify if there was a correlation between an increase in claims (e.g. for potholes) and a reduction in service (e.g. reduced funding for highway maintenance). The Committee noted that where claims were made any relevant departments were provided with details of the claim to ensure that appropriate action could be taken to mitigate against any further claims.

9 October 2019

The Chairman questioned why the stop loss figure for property had increased by 50% following the tender exercise. In response the Insurance and Risk Manager explained that this was due to an increase for the storm/flood excess. Under the previous contract the Council would have been required to pay an excess per property affected from storm/flood. Under the new policy only one excess would be paid regardless of the number of properties affected by storm/flood. The increase in the stop loss was to balance the increase in premium for this clause.

In respect of the outstanding claims for public liability, Members noted that there were 248 claims with a total value of £1,771,268 and questioned for how much the Council may be liable. In response the Insurance and Risk Manager explained that decisions were taken on a claim by claim basis but it was likely that the Council would defend 70% of the total claims received each year.

In response to a question concerning the cost of renewal, the Insurance and Risk Manager explained that it was difficult to predict the actions of an insurer. However, the Council's commercial insurance policy was different to a consumer policy whereby the Council accepted a greater level of risk by having a higher level of excess. Also by setting a stop loss that was unlikely to be breached the likelihood of the insurer having to incur any payments was reduced. This in turn should hopefully reduce this possibility of the insurer increasing insurance premiums

Concerning a query about insurance for taking the Mayor's chains abroad, the Insurance and Risk Manager confirmed that the cover currently insured the Mayor's Chains for travel into the EU. However, single trip cover for other destinations could be obtained.

RESOLVED: That the Portfolio Holder be recommended to note the contents of the report.

b GATEWAY 0/1: PROCUREMENT STRATEGY FOR INTEGRATED INSURANCE AGREEMENT (PART 1 REPORT) Report FSD19091-1

The Council currently had an insurance shared services agreement in place with the Royal Borough of Greenwich, which expired on 31st March 2020. A review of the alternative provisions for insurance shared services had been undertaken and various options have been considered as detailed in the report considered by the Committee. Members noted that further information and recommendations contained in the Part 2 report.

In opening the discussion the Chairman noted that this was a growth item because an increase on the current spend was being proposed.

In response to a question from the Chairman concerning whether LB Greenwich had been asked whether they wished to join the proposed

arrangements, the Head of Audit and Assurance reported that LB Greenwich had confirmed that they had no desire to continue with any shared arrangement.

RESOLVED: That the Portfolio Holder be recommended to note the report.

75 PRE-DECISION SCRUTINY OF EXECUTIVE REPORTS

The Committee considered the following reports on the Part 1 agenda for the meeting of the Executive on 16th October 2019:

**(6) CUSTOMER SERVICES IT SYSTEM REVIEW (PART 1)
CEO19001A**

The Chairman, having declared an interest, left the room prior to the start of this item. Cllr Christopher Marlow, as Vice-Chairman, chaired the meeting during the Chairman's absence.

The Committee considered a report detailing the outcome of a review undertaken by BT for the longer term provision of the Customer Relationship Management system. The report also recommended further action.

RESOLVED: That the Executive be recommended to:

- 1. Note the need to replace the current CRM software as outlined in the report.**
- 2. Agree that officers procure by direct award via the G-Cloud Framework a subscription of the Jadu CXM case management software for a period of 4 years (2 years plus 2 one year extensions being the maximum allowable under the framework), and agree delegated authority to the Director of Human Resources and Customer Service and the Head of Customer Service in consultation with the Portfolio Holder for Resources, Commissioning and Contracts Management to renew the subscription for Jadu CXM via a compliant route for a period of up to 15 years, subject to regular reviews of the ongoing business needs.**
- 3. Agree that officers commission BT by Change Control Notice (CCN) to their existing contract to transfer services from the existing CRM software on to the new Jadu CXM platform, including all associated integration as outlined in section 4.3 of this report.**
- 4. Agree the addition of the required capital sum to the capital programme.**
- 5. Approve renewal, via exemption to competitive tender, of existing annual support arrangements for the associated IT software components of the Council's website for a period of up to fifteen years**

**(7) DISPOSAL OF Y BLOCKS - DECISION TO DISPOSE OF OPEN
SPACE (PART 1)
Report DRR19/045**

On 11th July 2018, the Executive resolved that the Y Blocks should be disposed of and further resolved on 30th April 2019 to accept an unconditional offer from a purchaser (identified in the Executive Part 2 Report of 30th April 2019) for the freehold title of the Y Blocks and associated land. As part of the Y Blocks and associated land comprised of open space the Council had advertised its intention to the disposal of the open space land in a local newspaper for two consecutive weeks. The Council had also advertised its intention to appropriate the Y Blocks and associated land for residential use in accordance with the Town and Country Planning Legislation. The Executive resolved on 30th April 2019 that the Y Blocks and associated land were to be appropriated from office to housing use. As that resolution was made in reference to an internal Report, this report-re-affirmed that Resolution in a public format. A number of objections were received in respect of both advertisements' and the report before the Committee considered these with appropriate responses to mitigate concerns raised.

A Member highlighted the need to bring the buildings into use as much needed housing.

The Committee noted that the Ward Councillors had submitted a number of questions to the Head of Asset and Investment and requested that the Ward Councillors receive a response to these question prior to the Executive taking a decision.

RESOLVED: That the Executive be recommended to:

- a) **Ensure that Ward Councillors have received a response to the questions they raised prior to taking a decision.**

Subject to the above, Executive is recommended to:

- b) **Note that the Council has advertised the intention to dispose the open space land together with the intention to appropriate the buildings and land to residential use in both cases for two consecutive weeks in accordance with the relevant Legislation.**
- c) **Consider the objections made together with the responses' to these contained within the Report and formally agree to the Disposal of the Open Space Land.**

- d) Consider the objections made together with the responses' to these contained within the Report and formally agrees to the appropriation of the buildings and land to residential use.**

76 SCRUTINY OF THE CHIEF EXECUTIVE

The Chief Executive, Mr Ade Adetosoye, attended the meeting to respond to questions from the Committee. The Chief Executive had circulated a written update for the Committee as part of the agenda papers. Mr Adetosoye responded to questions, making the following comments –

- The constitution of Health Scrutiny was prescribed in legislation. In the main, services for very sick children were provided by health services which were in turn scrutinised and held to account by the Council's Health Scrutiny Sub-Committee.
- Future Member scrutiny arrangements in respect of the integration of health and social care were yet to be determined. Whilst current scrutiny arrangements were adequate primary legislation directing future scrutiny arrangements had not yet been issued.
- In terms of the integration of health and social care, Bromley had not pursued full integration and whilst the CCG and the Council were working together on policy formulation there the Council retained responsibility for determining spend. However, consideration would be given to joint services if savings could be delivered.
- The Chief Executive agreed to provide an update on the Greenwich Leisure Ltd strike following the meeting.
- The Chief Executive took on comments that were made in respect of lost revenue through failing to monitor and maintain parking meters and the need for parking wardens to adequately monitor meters. It was also noted that it was not possible to report issues with parking meters on fix my street.
- There would be Member involvement in the development of the Building a Better Bromley priorities.
- Scrutiny and challenge of planning decisions at Bromley was of a high quality. Officers were given the opportunity to clarify key points at meetings and key Planning Officers would be encouraged to attend meetings of the Development Control Committee and Plans Sub-Committees for professional development.
- The Chief Executive was not aware of Chairman at Planning meetings directing approval or refusal of an application at the start of a debate.
- Bromley had been classified as 'low priority' in relation to Prevent funding received from central Government.
- There had been some interest in the Director of Children's Services post which had been advertised at the beginning of the month and the Chief Executive hoped that there would be some applicants. There were three other vacancies for Director of Children's Services across London including one in a neighbouring borough. LB Bromley had

9 October 2019

taken a conscious decision to keep the salary band within the base rate that had been collectively agreed across London and Bromley was seeking to promote its advantageous work/life balance and employee benefits.

- The post of Director of Adult Social Care would be advertised in November.
- Two senior officer posts had been made in the past three months and both posts had involved internal recruits.
- The Chief Executive was not aware of any plans to merge London borough and have 5 'Super Boroughs'. This was not something that had been discussed in recent year and any such plans would require primary legislation.
- Following an incident of staff intimidation following a meeting held in public, security arrangements had been reviewed and five committees requiring additional security had been identified.
- The Chief Executive reported that he would ask the Director of Finance to provide an update on the London Business Rate Pilot following the meeting.
- Officers considered to plan for Britain's exit from the European Union at the end of the month. A baseline assessment of the 15 key areas identified by London Councils had been undertaken and LB Bromley appeared to be well placed.

The Committee thanked the Chief Executive for his update.

77 EXPENDITURE ON CONSULTANTS 2018/19 AND 2019/20 Report FSD19090

The Committee considered a report detailing total expenditure on consultants in 2018/19 and expenditure on consultants to June 2019 for both Revenue and Capital Budgets.

Noting that the year to year split for capital budgets was presented over two pages, the Committee asked that for future reports the information for both years be presented on one page.

The Committee sought further clarification for the following items of expenditure:

- Appendix 2 – Gartner UK Ltd – response to be provided by the IT Division
- Appendix 2 – Bell Phillips – why was the car park capacity study not part of the retender exercise – response to be provided by the Property Division.

The Chairman expressed concern that some of the contracts (in particular Gartner UK Ltd and In Form Consult Ltd) had been approved by waiver.

In response to a question, the Chief Accountant confirmed that consultants were engaged where there was not the in-house capacity or expertise to complete the work. This made comparisons between the cost of engaging consultants and completing the work in-house difficult.

A Member expressed concern that with a large in-house HR Team it has been necessary to engage a consultant for a Member Appeal Panel due to lack of relevant specialist skills. It was confirmed to the Committee that a third party HR specialist was commissioned due to the circumstances of the case. It was suggested that this work should be listed under 'insufficient in-house resource'.

The Chairman suggested that this needed to be monitored and if necessary a Task and Finish Group would be established to consider the issue in detail.

RESOLVED: That

- 1. The overall expenditure on Consultants as set out in this report be noted;**
- 2. The report be referred onto individual PDS Committees for further consideration.**

**78 CONTRACTS REGISTER AND CONTRACTS DATABASE
UPDATE
Report CEO19002**

The Committee considered the October 2019 Corporate Contracts Register and noted that the report in Part 2 of the agenda contained a detailed commentary on each contract within the register.

It was suggested that for future report the part 1 appendix should be made available on the website but should not be printed in the agenda packs provided to Members as the information was duplicated in the Part 2 appendix.

In response to a question the Assistant Director of Governance and Contracts confirmed that the red status of contracts did not indicate a cause for concern, it was simple a way of noting that the contract end date was approaching. In terms of the TFM Contract, options for the future procurement of the contract was matter for the service. For any gateway review a range of delivery options would be presented in the report by way of an options appraisal and the report would also contain a recommendation for Members.

The Committee noted that the contact in respect of SEN Transport had been scrutinised by the Children, Education and Families PDS Committee in July 2019.

RESOLVED: That the report be noted.

**79 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**

**80 EXEMPT MINUTES OF THE MEETINGS HELD ON 3 JULY 2019
AND 11 SEPTEMBER 2019**

The Part 2 (exempt) minutes of the meetings held on 3 July 2019, and 11 September 2019 were agreed, and signed as a correct record.

The Committee requested that the Director of Corporate Services be asked to look again at the advice concerning whether minutes for contract awards needed to remain in Part 2 following approval of the contract.

**81 PRE-DECISION SCRUTINY OF EXEMPT RESOURCES,
COMMISSIONING AND CONTRACTS PORTFOLIO HOLDER
REPORTS**

The Committee considered the following reports on the Part 2 agenda where the Resources, Contracts and Commissioning Portfolio Holder was recommended to take a decision.

**a GATEWAY 0/1: PROCUREMENT STRATEGY FOR
INTEGRATED INSURANCE AGREEMENT (PART 2 REPORT)
Report FSD19091-2**

The Committee considered the report and supported the recommendations.

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

The Committee considered the Part 2 information.

The Meeting ended at 8.45 pm

Chairman