

EXECUTIVE, RESOURCES AND CONTRACTS POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

Minutes of the meeting held at 7.00 pm on 8 July 2024

Present:

Councillor Simon Fawthrop (Chairman)
Councillor Shaun Slator (Vice-Chairman)
Councillors Mark Brock, David Cartwright QFSM,
Kira Gabbert, Adam Jude Grant, Alisa Igoe, Julie Ireland,
Simon Jeal, Ruth McGregor, Alexa Michael, Tony Owen,
Mark Smith, Melanie Stevens and Michael Tickner

Also Present:

Councillor Christopher Marlow, Portfolio Holder for Resources,
Commissioning and Contracts Management
Councillor Kate Lymer, Portfolio Holder for Children, Education and
Families (attended virtually for minute 21(10) and 21(11))
Councillors Robert Evans (attended virtually for minute 21(10) and
21(11)), and Ryan Thomson (attended virtually for minute 21(10) and
21(11)).
Councillor Colin Smith, Leader of the Council

13 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

Apologies were received from Councillor Jeremy Adams. Councillor Alisa Igoe attended as substitute.

14 DECLARATIONS OF INTEREST

A few Members of the Committee declared that they held Freedom Passes.

15 QUESTIONS FROM COUNCILLORS AND MEMBERS OF THE PUBLIC ATTENDING THE MEETING

There were no questions.

16 MINUTES OF THE EXECUTIVE, RESOURCES AND CONTRACTS PDS COMMITTEE MEETING HELD ON 20 MAY 2024 (EXCLUDING EXEMPT ITEMS)

The minutes of the Executive, Resources and Contracts PDS Committee meeting held on 20 May 2024 (excluding exempt information), were agreed and signed as a correct record.

**17 MATTERS OUTSTANDING AND WORK PROGRAMME
Report CSD24075**

The report dealt with the Committee's business management including matters outstanding from previous meetings and the proposed work plan for the remainder of the year.

In relation to contract management processes, the Committee noted that a further report would be received in the September cycle. The Chairman highlighted the importance of robust Member challenge in terms of KPIs at the Gateway 0 and Gateway 01 stages. The Chairman further noted that the number of KPIs should be slimmed down with a greater focus on key performance indicators.

RESOLVED: That the report be noted.

18 FORWARD PLAN OF KEY DECISIONS

The Committee noted the Forward Plan of Key Decisions covering the period May 2024 to August 2024.

Members noted that the Lettings Strategy for Churchill Court would now be considered during the September cycle.

A Member sought clarification around the report on Empty Homes and it was agreed that this would be provided after the meeting.

**19 SCRUTINY OF THE PORTFOLIO HOLDER FOR RESOURCES,
COMMISSIONING AND CONTRACTS MANAGEMENT**

The Portfolio Holder for Resources, Commissioning and Contracts Management, Councillor Christopher Marlow, attended the meeting to respond to questions from the Committee. Councillor Marlow had previously circulated a written update to the Committee outlining activity across the Portfolio. The Portfolio Holder then responded to questions, making the following comments:

- As far as the Council was concerned the review of the noise action plan was not yet complete and the issues would be pursued until such time as the review was complete.

The Committee thanked the Portfolio Holder for his update.

**20 RESOURCES, COMMISSIONING AND CONTRACTS
MANAGEMENT PORTFOLIO - PRE-DECISION SCRUTINY**

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

**A TREASURY MANAGEMENT ANNUAL PERFORMANCE
REPORT
Report FSD24049**

The report summarised treasury management activity during the fourth quarter of 2023/24 and included the Treasury Management Annual Report for 2023/24, which was required to be reported to Full Council. The report ensured that the Council was implementing best practice in accordance with the CIPFA Code of Practice for Treasury Management.

Investments as at 31st March 2024 totalled £326.9m and there was no outstanding external borrowing. For information and comparison, the balance of investments stood at £370.1m as at 31st December 2023 and £344.0m as at 31st March 2023.

In response to a question, the Director of Finance confirmed that, all things being equal, the Council had sufficient funds, without external borrowing, until June 2025.

RESOLVED: That the recommendations in the report be supported.

**B EXTENSIONS: VARIOUS CLEANING, CARETAKING AND
WASHROOM SERVICES CONTRACTS
Report HPR 2024/027**

The Council holds various services cleaning, caretaking, and washroom services contracts that service both the existing Civic Centre and various satellite sites (detailed in Appendix 1 of the report). All the contracts had expiry dates falling within the next three months.

The report sought authorisation to extend beyond term the contracts detailed in the report, to allow for these contracts to align with Churchill Court facility services contract end date of 31st July 2025. This would allow ample preparation time for the contract re-procurement following the agreement of an overall procurement commissioning strategy for service delivery.

The existing Civic Centre contracts (which also covered one satellite site – 8 Masons Hill) were due to end on 30th September 2024 and had available extension options. The ongoing need for these contracts beyond September 2024 was uncertain, as this was subject to the broader Facilities Management Commissioning Strategy, Accommodation Strategy, the move to Churchill Court and disposal of the existing Civic Centre. The report proposed to apply flexible extensions to manage this.

The various contracts for satellite sites were typically low value with the exception of the cleaning contract for the Children & Family Centres. All contracts were aligned with end dates in August and September 2024, with no further extension options, with a view to procuring all satellite facilities

requirements as a single contract. The Commissioning Strategy for Facilities Management and a report to Members would follow in due course.

This report proposed extending the various satellite facilities contracts beyond term to align with the Churchill Court facility services contract and the agreement of an overarching Facilities Management Commissioning Strategy for facilities services.

The Committee noted and considered the additional comments from the legal and procurement services that had been tabled.

RESOLVED: That the recommendations in the report be supported.

C EXTENSION OF ROYAL MAIL CONTRACT Report HPR2024/028

The report sought approval to extend the existing Mail Services with Royal Mail for a two-year period using the formal extension option available within the contract. The contract was initially awarded via the London Postal Board consortium, a partnership of 22 local authorities, for the delivery of inbound and outbound mail services utilising the Crown Commercial Services (CCS) Framework SPS2164. Procuring through the consortium reduced procurement costs and obtains beneficial rates.

The current contract commenced on 16 September 2021 for a three-year contract with the option to extend for up to two years. The initial term would end 15th September 2024. The contract had an estimated annual value of £90k (whole life value of £450k inclusive of extension option). The value of the proposed extension was £180k and would extend the contract to 15 September 2026.

A Member highlighted that whilst the report confirmed that the KPIs had been met, the KPIs were not actually detailed in the report and this detail would have been helpful.

Members requested that any feedback to the General Purposes and Licensing Committee concerning the 2024 General Election also include details of the number of postal votes returned to the Council after the deadline of 10pm on Thursday 4th July 2024.

RESOLVED: That the recommendation in the report be supported.

21 PRE-DECISION SCRUTINY OF EXECUTIVE REPORTS

The Committee considered the following reports on the Part 1 agenda for the meeting of the Executive on 10 July 2024:

**(5) CAPITAL PROGRAMME OUTTURN
Report FSD24050**

The report set out the final outturn on capital expenditure and receipts for 2023/24. Capital expenditure in the year was £50.2m, compared to the final approved budget of £70.0m, resulting in a total net variation of Cr £19.8m. For funding purposes, £10.0m slippage was assumed in the quarter 3 capital monitoring report, so there was an overall variation of Cr £9.8m in the use of capital receipts and external and revenue contributions.

In response to a question, the Director of Finance confirmed that there were currently no delays in the timetable for the move to the new Civic Offices. Full Council would meet in the new offices in October 2024 and staff would be moving over at this time.

RESOLVED: That the recommendations in the report be supported.

**(10) PROCEEDING TO TENDER FOR A BLOCK PURCHASING
CONTRACT FOR CHILDREN'S RESIDENTIAL (BEDS)
PLACEMENTS
Report CEF23094**

This item was considered jointly with the Children, Education and Families PDS Committee

The report sought Executive approval to carry out a full competitive tender to procure a single supplier to deliver a block contract of 5 residential children's home placements (beds) for up to 2 years with an option to purchase additional capacity of up to 5 additional beds on a first right of refusal basis at the same rates for the primary contract.

This proposal set out the need for a block bed contract for residential placements for young people coming into care and what the benefits and implications would be for the London Borough of Bromley, particularly in the light of the Local Authority's Sufficiency Duty as set out in S22 of the Children's Act (1989).

A block contract contributed to the achievement of the medium-term financial savings by reducing the placement costs for children in care. This would lead to a reduction in residential spend. For example, a block contract with a weekly cost of £4,600 per bed x 5, would reduce the number of placements we commissioned costing between £5,000 - £8,000 per week. This was likely to result in cost avoidance in the range of £104,000 - £884,000 per year assuming full occupancy of the beds.

An informal test of the market had been conducted and had helped form the recommendations in the paper.

The Committee was generally supportive of the short to medium term solution proposed in the report, although Officers were encouraged to expedite the development of longer-term plans. In response the Director for Children, Education and Families reported that the Department was working to develop plans for a Local Authority managed children's home. A number of options were being investigated including looking at existing properties, buying land or buying an established home.

The Chairman of the Children, Education and Families PDS Committee highlighted the importance of progressing the proposals outlined in the report in order to make savings and reduce the cost pressures. The proposals that were being presented would result in bringing children closer to Bromley. It was highlighted that the performance of the contract would be closely scrutinised by the Children, Education and Families PDS Committee.

RESOLVED: That the recommendations in the report be supported.

**(11) MEETING THE NEEDS OF CHILDREN IN CARE: MARKET
DEVELOPMENT OF RESIDENTIAL PROVISION
Report CEF23095**

This item was considered jointly with the Children, Education and Families PDS Committee

The rising demand and cost of quality specialist residential provision for Children in Care was leading to delays in meeting the needs of our most vulnerable young people. Rising costs were contributing to budget growth pressures in the medium to long term financial forecast. Alternative commissioning strategies were being explored to mitigate cost and growth pressures where possible. For residential provision for Children in Care, this included exploring alternative contract arrangements (such as block contracts), seeking innovative solutions through market engagement, potential partnership arrangements and potential capital investment (including the development of Council owned provision).

Informal market engagement had indicated the possibility of innovative solutions for market development through partnership arrangements with providers of specialist residential care. In engaging with the market to explore solutions, the Council may seek to influence the location, nature and design of provision to meet Bromley's particular needs and to enter into arrangements that secured the return of any required investment, manage risk to the Council with necessary securities in place and to ensure access to provision to help manage demand. The nature and feasibility of any business case for any proposed solution would need to be developed through formal market testing.

The report sought Executive approval to proceed with formal market testing with the provider market, through a compliant procurement process, to explore and develop detailed proposals and business case for innovative solutions, including partnership arrangements and investment solutions, for

specialist children's residential care for consideration by Executive in due course.

In response to a question concerning whether an October start date for the contract was realistic, the Children, Education and Families Transformation Lead explained that the proposals within the report represented a first step and the level of interest in the contract was currently unclear.

RESOLVED: That the recommendations in the report be supported.

**(16) CONTRACT EXTENSION: MECHANICAL & ELECTRICAL
MAINTENANCE CONTRACT
Report HPR 2024/031**

In July 2023 the Portfolio Holder for Resources, Commissioning and Contract Management approved a one-year extension to the Contract with B&M McHugh for the Periodic Servicing and Inspection, Routine and Responsive Maintenance and Out of Hours Emergency Callouts (Reactive Repairs and Planned Maintenance) to Mechanical and Electrical Installations in Corporate Property and Similar Facilities.

The current Contract commenced on 1st October 2021 with an expiry date of 30th September 2023. Within the Contract was a formal extension option of up to two years. The current one-year extension to the Contract expired on 30th September 2024.

The report, together with the accompanying Part 2 report, sought approval to apply the second one-year formal extension option to the Contract with B&M McHugh for Reactive Repairs and Planned Maintenance to Mechanical and Electrical Installations in Corporate Property and Similar Facilities.

The Committee considered and discussed the proposals. It was noted that an action plan for completion of the M&E asset register would need to be agreed with the contractor and the Committee requested that an update on this be presented to the Executive meeting on Wednesday 10th July 2024.

RESOLVED: That the Executive be recommended to agree the contract extension subject to the development of an asset register recovery plan.

22 POLICY DEVELOPMENT AND OTHER ITEMS

A CUSTOMER SERVICES CONTRACT MONITORING REPORT Report CSD24067

The report provided information on the performance of the Customer Service Contract provided by Liberata for the period 1st December 2023 to 31st March 2024.

A letter from Bola Odunsi Regional Director (London & The Southeast) for Liberata, provided his update on each individual element and was attached at Appendix 1 of the report.

The Committee considered and discussed the performance of the out-of-hours service, and it was agreed that an overview of the longest wait times along with complaints data would be presented to the Committee in January 2025. It was noted that some of the delays could be down to call volume.

In response to a question, the Liberata Regional Director (London & The Southeast) confirmed that work was underway to improve performance in relation to Freedom Passes and the service was looking to recruit additional staff to manage the increased demand.

The Chairman requested that the Committee be provided with a breakdown of the number of Freedom Pass applications processed online and those processed face-to-face. In addition, the Committee requested that further information of the number of new applications and the number of renewals be provided in January 2025.

RESOLVED: that the report be noted.

B EXCHEQUER SERVICE CONTRACT PERFORMANCE REPORT REPORT FSD24044

The report provided information regarding Liberata's performance in the provision of Exchequer Services for the period 1st April 2023 to 31st March 2024.

A letter from Bola Odunsi, Liberata's Regional Contract Director, provided an update on each individual service and was attached at Appendix 1 to the report with statistical data relating to the services shown in subsequent appendices.

The report was introduced by the Assistant Director of Exchequer Services. The Chairman noted that this was the last meeting that the Assistant Director would attend and, on behalf of the Committee, thanked the Assistant Director for her hard work and dedication and wished her well for the future.

In response to a question concerning nightly paid accommodation the Committee was told that reasons for delays could be investigated although as the recovery team became aware of new clients, support was provided with the claim process. The Assistant Director for Exchequer Services explained that part of the process was to ensure that clients were supported to apply for Housing Benefit however some people were not eligible due to their level of income. Delays in processing claims were closely monitored and claims were backdated where possible.

RESOLVED: That the report be noted.

C BENEFITS SERVICE MONITORING REPORT Report FSD24046

The report provided information regarding the performance of the Benefits Service provided by Liberata for the period 1 December 2023 to 31 March 2024. A letter from Bola Odunsi Liberata's Regional Contract Director (London and Southeast) was attached as Appendix 1 to the report. This communication provided Liberata's perspective of performance, together with an update on initiatives to be introduced in the coming months.

In response to a question concerning the support that was provided to more vulnerable people, Liberata's Regional Director (London and Southeast) explained that some online support was available as well as face-to-face support in Reception. It was highlighted that the Customer Services team were trained to guide customers through the process. Visiting Officers were also available to provide support where necessary.

A Member expressed concern around the number of abandoned calls, it was noted that calls were taking longer to deal with and some of the calls were repeat calls. The Committee received confirmation that the 'retain pace in queue' functionality was available for this service. It was agreed that a breakdown of abandoned calls would be presented in January 2025.

In response to a question concerning the Overpayments Strategy and the number of carers being fined, it was agreed that the information would be provided to the Committee following the meeting.

In response to a further question concerning the number of people receiving Council Tax Support, it was noted that the scheme in question was in place some months ago and it could be that there were issues around eligibility. It was agreed that the Assistant Director for Exchequer Services would provide further detail following the meeting.

RESOLVED: That the report be noted.

**D REVENUES SERVICE MONITORING REPORT
Report FSD24045**

The report provided information regarding the performance of the Revenues Services provided by Liberata for the period 1 December 2023 to 31 March 2024. A letter from Bola Odunsi, Liberata's Regional Director (London and the Southeast), provided an update on each of the individual services and was attached at Appendix 1 of the report with statistical data relating to the Revenues Service attached at Appendix 2 of the report.

The Committee received and noted an amendment to the table presented in paragraph 3.4 of the report.

In response to a question, the Assistant Director for Exchequer Services confirmed that the number of direct debits had increased following the competition that had been trialled.

The Chairman highlighted that the number of complaints reported was the lowest for a number of years.

The Committee discussed issues around the collection of Council Tax and was advised that there had been a decrease in collection since the pandemic. The Director of Finance advised that there was a considerable sum still to be collected however it was the ultimate collection figure which was key. Members noted that collection compared favourably against other London Boroughs.

RESOLVED: That the report be noted.

**E EXPENDITURE ON CONSULTANTS AND CONTRACTORS
2023/24
Report FSD24047**

Members of ER&C PDS requested a report on Consultant and Contractors expenditure. Officers had therefore looked at expenditure in 2023/24 in both Revenue and Capital Budgets.

The Chairman requested that the report be presented to the Committee annually and that it be referred on to the five service PDS Committees for detailed consideration.

A Member questioned why some information in the report was redacted. It was suggested that the report be revised to provide full details of all the Council's contractors. Another Member suggested that caution be taken as some of the contracts related to Childrens Social Care and were court directed. It was suggested that these contracts should be removed from the appendix as there was no discretion with these specific contracts.

In response to a question, the Director of Finance confirmed that the use of contractors was a last resort. Areas where specialist knowledge and expertise was needed were identified and the ongoing use of contractors monitored.

The Committee noted that there were two key questions to be considered when scrutinising the use of consultants:

1. Was the use of the consultant necessary?
2. Did the use of the consultant deliver value for money?

RESOLVED: That the report be noted and referred to the service Policy Development and Scrutiny (PDS) Committees for further detailed consideration.

23 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**

24 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 10th July 2024:

(23) PART 2: CONTRACT EXTENSION: MECHANICAL & ELECTRICAL MAINTENANCE CONTRACT

The Committee noted the report and made recommendations to the Executive.

The Meeting ended at 9.22 pm

Chairman