

EXECUTIVE, RESOURCES AND CONTRACTS POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

Minutes of the meeting held at 7.00 pm on 13 October 2021

Present:

Councillor Christopher Marlow (Chairman)
Councillor Kira Gabbert (Vice-Chairman)
Councillors Gareth Allatt, Yvonne Bear,
Nicholas Bennett MA J.P., David Cartwright QFSM,
Mary Cooke, Nicky Dykes, Robert Evans, Will Harmer,
Simon Jeal, Melanie Stevens, Michael Tickner and
Angela Wilkins

Also Present:

Councillor Graham Arthur, Portfolio Holder for Resources,
Commissioning and Contracts Management

39 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

Apologies were received from Cllr Pauline Tunnicliffe and Cllr Allatt attended as substitute.

The Committee noted that the Leader of the Council was listening to the discussion via conference call.

40 DECLARATIONS OF INTEREST

There were no additional declarations of interest.

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

No questions had been received.

The Chairman highlighted that the Council had recently been awarded the national 'Excellence in Asset Management' for its treasury management and pension fund performance. The Committee extended its thanks and congratulations to Officers for their achievement.

42 MINUTES OF THE EXECUTIVE, RESOURCES AND CONTRACTS PDS COMMITTEE MEETING HELD ON 15 SEPTEMBER 2021 (EXCLUDING EXEMPT ITEMS)

The minutes of the Executive, Resources and Contracts PDS Committee meeting held on 15 September 2021, were agreed and signed as a correct record.

**43 MATTERS OUTSTANDING AND WORK PROGRAMME
Report CSD2111**

The report dealt with the Committee's business management including the proposed work plan for the remainder of the year.

A Member expressed the view that there should be a separate root and branch review of the previous Total Facilities Management Contract as part of the commissioning cycle.

The Committee noted that the report would be updated to reflect the establishment of the Housing and Capital Finance Task and Finish Group. As yet a date for the first meeting had not been agreed but it was expected that the Chairman of the Task and Finish Group would be sending invitations out within a month.

RESOLVED: that the report be noted.

44 FORWARD PLAN OF KEY DECISIONS

The Committee noted the Forward Plan of Key Decisions covering the period October 2021 to January 2022. Members noted that the report on the regeneration of the Walnuts Centre would be presented to Executive in November.

45 SCRUTINY OF THE CHIEF EXECUTIVE

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

- Within the Transformation Programme, there was a dedicated priority for Housing, and this would continue.
- The current investment in the Communications Team was £80,000-£100,000. Work to strengthen the Communications Team involved redeploying some of the Graduate Placements into the Team. The expectation was that there would be a measurable improvement in the current communications offer. Work to improve the intranet was ongoing as was the website redesign project. There was also an increased focus on the use of social media to promote the work of the Council.
- The Council had received recognition in the form of a number of national awards, including the Excellence in Asset Management award and a national award for Integration of Health and Social Care. In addition to this, Bromley had been shortlisted for an award in relation to its delivery of Lateral Flow Testing.

- A detailed work plan had been developed for the incoming Director of Corporate Services who would be focusing on 6 key priorities. Details of the two new Directors joining the Council would be circulated following the meeting. In addition, the list of senior officers was currently being updated and this would be circulated as soon as possible.
- The Occupational Property Review would encompass the small pockets of land owned by the Council. Through the review, Officers were taking the opportunity to consider the key assets owned by the Council. The outcome of the review would be presented to Members when it was available.
- One of the Council's graduates with a special interest in new technologies was currently reviewing practice in other local authorities and the private sector as well as overseas.
- The Director of Housing, Regeneration and Planning had undertaken an analysis of empty properties across the Borough and would be asked to provide an update to Members.
- In terms of succession planning, the Succession Pathway Document would be shared with Members. The Council performed well in terms of transitioning middle managers into senior roles. However, more work was needed in terms of developing internal talent in order to promote internal staff into Director-level roles.
- Bromley was performing well in relation to the vaccination of staff within Adult Social Care. There were currently a handful of unvaccinated staff who could be affected by the legal requirement for staff visiting hospitals and care homes to be fully vaccinated by 11th November 2021. Weekly messages had been given to staff encouraging them to get vaccinated. Where possible, unvaccinated staff would be redeployed, but where there were no redeployment opportunities staff would unfortunately have to be dismissed as that was what the law required. It was however pleasing that the vast majority of staff were already vaccinated.
- In terms of the remainder of the workforce, staff had been encouraged to declare their vaccination status to the Council although there was no obligation on staff to do this (except in the case of Adult Social Care staff). Staff had been encouraged to self-declare via the HR system and so far, around 70% of staff had made declarations.
- In relation to the Statutory Instrument for Care Homes requiring staff and visitors to be vaccinated, Care Homes would be reliant on seeing Covid passports. As a Public Health Authority, the Council had been supporting Care Home Managers to understand the requirements, however, in terms of implementing the statutory requirements, the onus was on Care Home Managers and the CQC as the regulator. Currently one of the biggest risks to Care Homes was the future availability of staff and this would require monitoring.
- There was no evidence that staff working from home had presented an obstacle to coaching and mentoring schemes. Bromley was part of a London-wide virtual mentoring scheme which had been working well.

13 October 2021

Colleagues across the Council were harnessing opportunities when they presented, and it was notable that around 42% of staff were now in the Office.

- There were currently two Afghan Resettlement Schemes and the Council was awaiting further information from the Home Officer in order to further progress participation in both schemes. It was noted that the Council had been providing support to 2 or 3 British families who had returned from Afghanistan.
- The Digital Strategy would be presented to Members and focused on “digital by choice”, the Council would not be seeking to force residents to use digital mechanisms. The Council was continually seeking to reduce the number of paper letters sent to residents, however there were certain circumstances where there was a legal requirement to serve a paper letter.

The Committee thanked the Chief Executive for his update.

The Chairman moved that the following item, not included in the published agenda, be considered as a matter of urgency on the grounds that following the publication of the agenda, the Council received additional notifications concerning Covid grants which required consideration.

RESOLVED: That the following item be considered as a matter of urgency on the grounds set out above.

**46 COVID-19 GRANTS
Report FSD21065**

The report provided Members with an overview of additional Covid-19 grant funding received by the Council since the start of the pandemic in March 2020. The Director of Finance introduced the item highlighted that since March 2020 the Council had received a significant sum in Covid-19 related grants. In addition to supporting the response to Covid-19, the Council had also continued with business and usual, delivering services and identifying areas where savings could be made. The Committee noted that in recognition of the speed of response, special delegations had been put in place and this had enabled decisions to be taken in a timely manner. The Director of Finance highlighted that the pressures resulting from the pandemic were likely to continue for a number of years and in response to this it was being proposed that some funding be set aside in a dedicated Covid-reserve to enable the Local Authority to respond to ongoing Covid support pressures in future years. In response to a question, the Director of Finance confirmed that there would be some flexibility around the use of the Covid reserve and decisions would need to be taken by Members.

The Director of Finance reported that the Local Authority had effectively managed the distribution of Covid grants and had maintained an appropriate grip in terms of the spend. It had to be recognised that the Council was distributing public money as such there needed to be transparency and

accountability and there was a need to use the funding appropriately. Whilst Covid funding from central Government had undoubtedly slowed down in recent months there remained some further grants to come through the system.

The Committee noted that further updates would be presented through the regular budget monitoring cycle.

In opening us the discussion, the Chairman noted that the amount of Covid-grant funding received in 2020/21 was almost equal to the Council's controllable budget. It was clear that this level of grant funding was not sustainable and therefore could not be seen as a business-as-usual scenario. The Chairman endorsed the decision that had been taken to redeploy staff to Covid-support functions and then return them to their substantive posts as well as the proposal to set aside funds in a Covid reserve.

A Member highlighted that the report had presented a huge amount of information and the late publication of the report had meant that Members had not had adequate time to consider and scrutinise the detail. In response, the Director of Finance confirmed that details of specific grants would be provided through the Budget Monitoring reports presented to all PDS Committees. The Committee agreed that it would aid Members' understanding if a summary of the outcomes for each grant could be provided including how much had been spent and the number of beneficiaries. It was also noted that use of Covid grant funding had been extensively reviewed by Internal Audit with a report presented to the Audit Sub-Committee. A Member noted that significant levels of funding had been provided to the Council and Officers were to be congratulated for the efficient and effective way the allocation of grants had been managed. The Chairman suggested that where Members had specific questions these should be directed to the Director of Finance. Any questions could then be addressed either through the Budget Monitoring reports or, in the event of a very specific question being asked, via an email to Members of the Committee.

Members received assurances that where some of the preventative measures (for example for homelessness) proved to be successful the schemes would continue into the future.

The Chairman noted that in reality the Council had been given very little discretion in terms of the use of the majority of the grant finding received. Every grant that had been received had been accompanied by a number of grant conditions stipulating the use of the grant and when and how it was to be distributed.

RESOLVED: that the report be noted.

13 October 2021

47 PRE-DECISION SCRUTINY OF EXECUTIVE REPORTS

The Committee considered the following reports on the Part 1 agenda for the meeting of the Executive on 20 October 2021:

(5) FUTURE DEVELOPMENT OF A NEW HEALTH AND WELL BEING CENTRE AT THE CIVIC CENTRE AS PART OF A WIDER MIXED-USE DEVELOPMENT

In February 2020 the Executive resolved that consideration should be given as to the disposal of the former Adventure Kingdom (AK) building to the CCG, at market value, so that it could be redeveloped by the CCG for a new Bromley Town Centre Health and Well Being Centre. As negotiations developed it transpired that it was the CCG's intention to refurbish the former AK building rather than re-develop it. This was considered a poor utilisation of the space and would restrict any ability to widen development scope in the immediate area and therefore diminish any returns for the Council in terms of creating new housing and other facilities. Officers produced an alternative proposition for the CCG to consider comprising a wider scheme developed by the Council utilising the footprint of the existing Great Hall and AK Buildings at the Civic Centre. This scheme would provide for a new Health and Well Being Centre together with a new Community Hall and a residential Planning Policy compliant scheme of circa 48 units above.

Councillor Will Harmer addressed the Committee as local ward councillor in support of the proposals which had been in the development stage for a number of years. The additional GP facilities that the proposals would deliver were welcome. It was suggested that that recommendation 2.4 should be amended to:

“To advance a high-quality scheme in which the Council can be proud and one that recognises the heritage of the area”.

The amendment was agreed by the Committee.

The Chairman moved that the clause of the recommendation which gave officers authority beyond the terms of the scheme of delegation to approve spending should be deleted, as the council was no longer focused solely on COVID measures and the financial controls embedded in the scheme of delegation are important for democratic accountability. This was agreed by the Committee.

The Chairman noted that the overall benefit of the scheme was likely to be greater than that indicated in the report.

RESOLVED: that the Executive be recommended to:

- 1. Note the new approach to delivering a Health and Well-being Centre at the Civic Offices as part of a wider scheme and**
- 2. Note the intent to proceed to procurement, and subsequent award of contract, via a compliant route for various professional services to progress the scheme, as set out in paragraph 3.16 of the report;**
- 3. Advance a high-quality scheme in which the Council can be proud and one that recognises the heritage of the area.**
- 4. Authorise a drawdown of up to £0.5m from the Growth Fund to fund the professional services required to progress the scheme through the initial stages.**
- 5. Note that a further Executive report will be forthcoming seeking authority to submit a planning application accompanied with a full business case for consideration including procurement of the construction element of the scheme, along with any further authorisation needed to incur additional costs**

**(6) MICROSOFT OFFICE LICENSES
Report CSD21113**

The report provided details of the current Microsoft Office licensing and changes in Microsoft Licensing Policies imposed upon the Council, details of a refresh of the Microsoft Office Licenses that supports the Council's core IT infrastructure, all users and key business systems, and the significant risks and the required licenses that were needed to ensure that the Council continued to have a supported office productivity suite.

The Committee recognised the dominance of Microsoft in the market.

RESOLVED: That the Executive be recommended to:

- 1. Note the information and agree to the procurement of Microsoft Office License Agreement, as set out in this report for 3 years.**
- 2. Approve an increase in the IT Services revenue budget of £13k in 2022/23, £79k in 2023/24 and £135k in 2024/25 to ensure the most optimal Microsoft Office productivity and Cyber Security functions are procured and available for the Council.**
- 3. Agree to the use of the current IT service provider, BT, through the mechanism of the Westminster City Council Pan-London ICT Framework to procure the services detailed in the report. Where in the opinion of the Director of HR, Customer Services and Public**

13 October 2021

Affairs a separate procurement is required or desirable, agree to delegate authority in consultation with the Portfolio Holder, to authorise the use of an alternative procurement route.

(9) HOMEBASE UNIT, SEVENOAKS WAY INDUSTRIAL ESTATE, ORPINGTON BR5 3QD - LEASE EXTENSION

The Long Leasehold owner (L&G) of Sevenoaks Way Industrial Estate, Orpington, had approached the Council as Freeholder requesting a lease regear. The report detailed the proposed terms of the lease regear and sought approval to proceed with the transaction.

The Committee noted that the report set out the other options that had been considered and the reasons for not pursuing the options, including the sale of the freehold.

RESOLVED: That the Executive be recommended to:

- 1. Agree to the lease regear of Sevenoaks Industrial Estate, Orpington, BR5 to the existing long leaseholder (Legal & General) as per the terms detailed within the report.**
- 2. Delegate authority to the Head of Estates & Asset Management, in consultation with the Director for Housing, Planning and Regeneration, to complete the transaction with the Council's associated professional fees to be paid from the proceeds of the transaction.**

(10) DIRECT LINE OFFICES, CHURCHILL COURT, WESTMORELAND ROAD, BROMLEY

The Long Leasehold owner (Direct Line Insurance Services Ltd) of Churchill Court, Westmoreland Road, Bromley, BR1 1DP have approached the Council as freeholder of the property in respect of acquiring the freehold interest. Direct Line intended to base their Headquarters at the site, and to support this, wished to redevelop the existing buildings to provide brand new office accommodation for their business. Acquiring the Freehold interest in the property would enable them the control and security of tenure required to invest in the redevelopment. The report detailed the proposed terms of the freehold purchase and sought Member approval to proceed with the transaction.

The local ward Member highlighted that the proposals demonstrated the faith that business were showing in Bromley Town and Officers in the Regeneration Team were thanked for the work they had been undertaking to advance the town.

RESOLVED: That the Executive be recommended to:

- 1. Agree to the disposal of the Council's freehold interest in Churchill Court, Westmoreland Road, Bromley, BR1 1DP to Direct Line Insurance Services Ltd who are the existing occupant and long leaseholder as per the terms set out in the report (both Parts 1 and 2).**
- 2. Authorise the disposal of the Council's freehold interest at Churchill Court, Westmoreland Road Bromley to Direct Line Insurance Services Ltd.**
- 3. Delegate authority to the Head of Estates & Asset Management in consultation with the Director for Housing, Planning and Regeneration and the lead member to finalise the commercial heads of terms ("HOTS") , and**
- 4. Authorise the Assistant Director for Legal Services to enter into any ancillary legal agreements relating thereto (including settling the Council's associated professional fees, which are to be paid from the net proceeds of sale in the transaction.**

(11) PROCUREMENT OF HR/PAYROLL SOFTWARE

The contract for the Council's integrated HR & Payroll System, ResourceLink, was due to end in June 2023. ResourceLink had been in use at the Council since 2002 when it replaced separate HR and Payroll systems. In November 2020, the Leader agreed to the procurement of Oracle Cloud ERP for Finance and Procurement functions through a variation to the BT contract. That report advised that a separate report would be taken forward in 2021 regarding the HR/Payroll software. Following an options appraisal, it was now proposed to procure Oracle Cloud ERP system for HR and Payroll functions to ensure the Council had a fit for purpose and fully integrated HR/Payroll system, alongside finance, that will meet the current and future needs of the Council.

The Committee noted that the report to the Executive in November 2020 set out the reasons why a full tender for the Finance Oracle system had not been pursued. The Head of HR Business, Systems and Reward confirmed that there had been a review of other systems and in all cases the Oracle option presented better value for money.

Members noted that there had not been a significant reduction in costs because whilst the number of staff had reduced over time, the Council's pensioners were also paid through the system and their had been an increase in the number of pensioners.

RESOLVED: that the Executive be recommended to:

- 1. Consider the contents of the report;**

13 October 2021

- 2. Agree a variation to the BT contract to include the procurement of Oracle's Cloud Enterprise Resource Planning system for HR & Payroll functions for a period of 5 years with the option to extend this for up to a further five years on an annual renewal basis;**
- 3. Delegate authority to the Director of HR, Customer Services & Public Affairs to agree the annual renewal of the Oracle Cloud Enterprise Resource System for HR & Payroll functions after year 5 in consultation with the Portfolio Holder for Resources, Commissioning and Contracts Management;**
- 4. Give approval to proceed to procurement to appoint a Systems Integrator via a suitable framework at an estimated value of £600k and delegate the subsequent award of that contract to Chief Officers in consultation with the Portfolio Holder.**
- 5. Note that the capital scheme budget will be reduced by £250k to reflect the current projected costs of implementing the system.**

**48 TRANSFORMING PROPERTY: UPDATE
Report HPR2021/052**

The report provided a progress update on the property transformation programme which sought to put in place new staffing, system and supply chain approaches that would result in an excellent, responsive, and agile service well placed to manage the Council's property interests and assets as a corporate landlord.

In opening the discussion, the Chairman noted that issues with property valuations had consumed a great deal of Officer time and resource and it was pleasing that there would now be a resolution to the issues. The Committee noted that an update on property investments would be provided later in the municipal year.

A number of Members welcomed the changes being made to property services but noted that some of the reason for bringing services back in-house were the same reasons for initially outsourcing. A Member stressed the need for a comprehensive reviewed of what had gone wrong with the Amey Total Facilities Management Contract and why unnecessary costs had been incurred in order for lessons to be learnt.

The Committee noted that a number of local authorities had embarked on outsourcing facilities management at the same time as Bromley and the same local authorities were now moving to a similar hybrid arrangement.

The Portfolio Holder for Resources, Commissioning and Contracts Management stressed that the changes being made to Facilities Management at the Council were extremely positive and the proposed Corporate Landlord Model was a positive set. The Portfolio Holder provided an update on the

contracts and reminded the Committee that it was important to consider the full context of the Amey contract, recognising that improvement in the contract had been delivered but, unfortunately, these had not been sustained. The Portfolio Holder reminded Members that the estate was aged coupled with underinvestment and that the Amey contract had always operated within budget.

The Portfolio Holder commended the quality of the report that had been produced and highlighted that Members should be assured that Officers were in place to deliver the corporate landlord model. 20 staff had returned to the Council via TUPE and the staff were enthusiastic about the services they were delivering.

In response to a question, the Assistant Director for Special Projects confirmed that Royal Mail had been appointed through a framework and whilst spend on postal services had reduced, further reductions were being pursued. In addition, whilst consumption of paper had reduced by roughly three quarters, Officers were continuing to explore opportunities for further reductions.

Members noted that environmental impact of any services had been included as the quality part of the commissioning assessment. The Council had an Energy Manager and the environmental policies for facilities services were now more closely aligned with the Council's overall energy priorities.

The Committee noted that every effort had been made to open up the commissioning process to local businesses and contracts had been awarded to local and regional suppliers. The Portfolio Holder confirmed that he had reviewed every contract that had been let in respect of facilities management and they were easy to understand and proportionate to the requirements of the Council.

It was agreed that a structure chart for the new service would be provided to Members.

RESOLVED: That the progress made on the Property Transformation Programme be noted.

49 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**

**50 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 20 October 2021:

(15) MICROSOFT OFFICE LICENSES

The Committee noted the Part 2 Appendix.

**(17) HOMEBASE UNIT, SEVENOAKS WAY INDUSTRIAL ESTATE,
ORPINGTON BR5 3QD - LEASE EXTENSION**

The Committee considered the Part 2 report.

(18) CHURCHILL COURT, WESTMORELAND ROAD, BROMLEY

The Committee considered the Part 2 report.

(19) PROCUREMENT OF HR/PAYROLL SOFTWARE

The Committee considered the Part 2 report.

The Meeting ended at 9.25 pm

Chairman