

## DECISIONS OF THE CABINET RESOURCES COMMITTEE

4 APRIL 2012

COMMITTEE:

\*Councillor Daniel Thomas (Chairman)

Councillors

\* Brian Coleman AM,  
FRSA

\* Richard Cornelius

\*Andrew Harper

\* Sachin Rajput BA (Hons)  
PgD Law

\* Robert Rams

\*denotes Member present

### 1. MINUTES:

The minutes of the meeting held on 28 February 2012 were approved as a correct record.

### 2. ABSENCE OF MEMBERS:

None.

### 3. DECLARATION OF MEMBERS' PERSONAL AND PREJUDICIAL INTERESTS:

There were none.

### 4. PUBLIC QUESTIONS:

A number of public questions were received.

#### **From Ms Theresa Musgrove on Agenda Item 20 – Environment, Planning and Regeneration Contracts**

- 1. Why has no effective action been taken, in such a long period, to identify and immediately address the issue of so many additional non compliant 'arrangements' with private companies providing services to the council?**

Action is being taken inline with an Action Plan, the progress of which has been presented to the Audit Committee.

- 2. Why has Councillor Coleman, as the Cabinet Member for Environment, Planning and Regeneration, not taken effective action to ensure that the services for which he is responsible are properly compliant? Will he be resigning from this post as a result of this report?**

All services have been working with Commercial Assurance to implement the actions detailed in the action plan and in some cases waiver of Contract Procedure Rules has been deemed the most appropriate action as detailed in the respective reports.

There is no reason for Councillor Coleman to resign.

- 3. Will you admit that the level of incompetence in failing to identify such a massive number of non compliant contracts is scandalous enough in itself: but to fail to address the issues raised last year, within a reasonable time frame, is completely unacceptable and evidence of the most serious failure of responsibility by the senior management team and political leadership of the authority?**

The Council outlined some time ago that not all of its contracts had complied with the contract procedure rules.

The issues are being addressed and internal and external audit have sanctioned the action plan in place.

Commercial Assurance is working with the Audit function to resolve outstanding issues.

Ms Musgrove asked a number of supplementary questions.

**5. Legal Service Proposed Shared Service with the London Borough of Harrow (Report of the Leader of the Council – Agenda Item 5):**

For the reasons set out in the Cabinet Member's report, the Committee;

RESOLVED –

- (1) To approve the Business Case for the creation of a shared legal service with the London Borough of Harrow.
- (2) To approve the delivery of the Council's legal services requirements through the proposed shared legal service on the basis set out in the report for a period of five years to commence on 2 July 2012.
- (3) To instruct officers to:
  - (i) Develop and finalise the formalisation of the proposed arrangements for the shared legal service into an Inter Authority Agreement to be entered into by the London Boroughs of Barnet and Harrow; and
  - (ii) Report on the finalised terms of the proposed Inter Authority Agreement to the Leader and Deputy Leader / Cabinet Member for Resources and Performance and seek their authorisation for its completion.

**6. Dollis Valley Regeneration Scheme (Report of the Leader of the Council – Agenda Item 6):**

For the reasons set out in the Cabinet Member's report, the Committee;

RESOLVED:

- (1) That in exercise of its Powers under Section 1 of Chapter 1 of the Localism Act 2011 and all the other statutory powers referred to in the legal issues sections of the report and Cabinet Resources Committee report dated 7 November 2011 (Appendix 1), the Committee reaffirms and confirms all the resolutions made under item 5 of its meeting of 7 November 2011, such that all such resolutions, to the extent applicable, are now made under the said Chapter 1 of Section 1 of Localism Act 2011.
- (2) That, subject to the prior grant of the planning permission for the regeneration of the Dollis Valley Regeneration Area ("Regeneration Area"), the appropriate Chief Officers be authorised to:

- (i) Advertise the Council's intention of appropriating open space lands within the Regeneration Area pursuant to Section 122(2A) of Local Government Act 1972 and to report to a future meeting of the Committee if any representations are made; and
  - (ii) Subject to any relevant consents of the Secretary of States being obtained, to appropriate to planning purposes, the Housing, Highway, Education and any land held for any other purpose of the Council, within the Regeneration Area, prior to the disposal of such lands.
- (3) That the area edged red on plan no 23577/2c attached to the report (Appendix 2) be approved as the Dollis Valley Regeneration Area Site (Regeneration Area Plan) and confirmed as the area to which the resolutions made under item 5 of the Cabinet Resources Committee meeting of 7 November 2011 and the recommendations in this report, apply.

**7. Reference from the Business Management Overview and Scrutiny Committee: Task and Finish Group Review on Contract Monitoring and Community Benefit (Report of the Overview and Scrutiny Office – Agenda Item 7)**

The Task and Finish Group Chairman, Councillor Schama, presented the findings and recommendations of the Group. The Deputy Leader / Cabinet Member for Resources and Performance welcomed the Group's report.

In response to recommendation 1, the Deputy Leader / Cabinet Member for Resources and Performance advised that the Deputy Chief Executive had been considering options for the Corporate Procurement service and that structure proposals and resource requirements were expected by the end of April. The Committee were informed that the findings and recommendations the Group would be used to inform the Procurement Improvement Action Plan being reported to the Audit Committee at the end of April. The Committee then

RESOLVED –

- (1) To agree the recommendations of the Overview and Scrutiny Task and Finish Group on Contract Monitoring and Community Benefit.

**8. Award of Housing Related Contracts for Young People (Report of the Cabinet Member for Education, Children and Families – Agenda Item 8)**

For the reasons set out in the Cabinet Member's report, the Committee;

RESOLVED –

- (1) That the Committee authorise the award of contracts to:
  - (i) Lot 1, Safestart Foundation for the provision of the Foyer service (final award £315,600 pa or £631,200 over two years);
  - (ii) Lot 2, Safestart Foundation for the provision of the Crashpad service (final award £77,420pa or £154,840 over two years); and
  - (iii) Lot 3, Metropolitan Housing for the provision of the High Needs service (final award £139,960pa or £279,920 over two years)

Contracts to commence on 1 April 2012 for a two year period with the option to extend for a further year, subject to funding availability and performance.

**9. Local Involvement Network Hosting Services – Extension and Waiver of Contract Procedure Rules (Report of the Cabinet Member for Public Health and the Cabinet Member for Adults – Agenda Item 9)**

For the reasons set out in the Cabinet Member's report, the Committee;

RESOLVED –

- (1) To note the action taken by the Assistant Chief Executive under delegated powers to extend the Local Involvement Network Hosting Services contract for a period of one year to 31 March 2013, in accordance with Contract Procedure Rules 5.6 and 5.7.

**10. CCTV Camera Transmission (Report of the Cabinet Member for Safety and Resident Engagement – Agenda Item 10)**

For the reasons set out in the Cabinet Member's report, the Committee;

RESOLVED –

- (1) That the rental of circuits from BT Redcare for the transmission of camera images to the CCTV control room be extended until 31<sup>st</sup> March 2013, up to a maximum of £140,000, to allow adequate time for a review of CCTV to be completed, including appraisal of options for a future Transmission Strategy.

**11. Landmark Library Lease Arrangements (Report of the Cabinet Member for Customer Access and Partnerships – Agenda Item 11)**

For the reasons set out in the Cabinet Member's report, the Committee;

RESOLVED –

- (1) To note the progress made in the development of plans for a Landmark Library with arts, cultural and children's specialisms within the Arts Depot site.
- (2) To endorse negotiation of an extended lease of the Arts Centre (known as Arts Depot) with The Arts Depot Trust Limited on the terms as set out in section 9.13 of the report, subject to agreement in due course of an appropriate mechanism for the calculation of service charge.

**12. Variation and Extension of Contract with JADU Ltd (Report of the Cabinet Member for Customer Access and Partnerships – Agenda Item 12)**

For the reasons set out in the Cabinet Member's report, the Committee;

RESOLVED –

- (1) To authorise a waiver of Contract Procedure Rule 5.6 to vary the contract with JADU Ltd by £20,000 as the increase of 19% is greater than that allowed by the Contract Procedure Rule of a 10% variation.
- (2) To authorise the extension of the contract with JADU Ltd to July 2013, with an additional cost of £47,490, to give a total contract value of £171,629.

**13. Provisional Outturn 2011/12 (Cabinet Member for Resources and Performance – Agenda Item 13)**

For the reasons set out in the Cabinet Member's report, the Committee;

RESOLVED –

- (1) That Directors take appropriate action to ensure costs are kept within budget and income targets are met. (Paragraph 9.1.2)
- (2) That the following one off transfer from contingency for this financial year only be approved:
  - One-off transfer for 2011/12 of £0.750m is requested from Contingency to

Environment, Planning and Regeneration to fund historic budget pressures across the directorate. (Paragraph 9.3.2)

- (3) That the Agency Costs be noted. (Paragraph 9.4.1)
- (4) That Directors ensure that those capital projects in their services are managed closely to ensure they are delivered within budget and in accordance with the agreed timeframe. (Paragraph 9.5.1)
- (5) That the proposed Capital additions/deletions totalling £0.505m and slippage of £9.445m, as set out in Table 5 and Appendix C of the report, and the related funding implications, summarised in Table 3 of the report, be approved.

**14. Freehold Disposal of Surplus Lands adjacent to Broadfields School and North Fairway School (Report of the Cabinet Member for Resources and Performance – Agenda Item 14)**

For the reasons set out in the Cabinet Member's report, the Committee;

RESOLVED –

- (1) That the Council's freehold interest in the surplus lands adjacent to Broadfields School, Edgware and Northway Fairway School, Mill Hill, as shown outlined in red on the drawing numbers 24196/2 and 24197/3 attached to the report, be offered for sale on an informal tender basis.
- (2) That, subject to the prior consent of the Secretary of State to the disposal of the sites, to report the results of the tendering process to the Committee for consideration prior to any offer being accepted.

**15. 2 Salisbury Road, High Barnet, EN5 (Report of the Cabinet Member for Resources and Performance – Agenda Item 15)**

For the reasons set out in the Cabinet Member's report, the Committee;

RESOLVED –

- (1) That the property is declared surplus to the Council's requirements..
- (2) That the disposal of the Council's freehold interest in 2 Salisbury Road, High Barnet, EN5 to UBS is approved on the terms detailed in the report.

**16. Extension of Heating Fuel Contract (Report of the Cabinet Member for Resources and Performance – Agenda Item 16)**

For the reasons set out in the Cabinet Member's report, the Committee;

RESOLVED –

- (1) To approve a waiver of Contract Procedure Rule 5.6.1.3 as the value of the proposed contract extension is more than half the cost of the existing contract without the extension.
- (2) That the Director of Commercial Services be authorised to extend the existing contract with Pace Fuelcare for the supply of heating fuels at corporate buildings and schools for a period of 18 months from the 1<sup>st</sup> December 2011 to 31<sup>st</sup> May 2013.
- (3) The estimated value of the contract, based on existing usage, is approximately £182,798 per annum, with an estimated overall contract value of £274,197 over the 18 month contract duration.

## 17. Information Systems Contracts (Report of the Cabinet Member for Resources and Performance – Agenda Item 17)

For the reasons set out in the Cabinet Member's report, the Committee;

RESOLVED –

- (1) To authorise: (i) the variation of the existing contract between the Council and 2e2, who currently provide the council with a managed service for infrastructure, including authorisation of additional expenditure associated with the Telephone Technology Refresh Project, and Infrastructure Refresh Activity (cost £350,000); and (ii) to spend £18,000 to provide a Contract Management E-Learning module for staff.
- (2) To authorise spend with Hewlett Packard (HP) for the financial year 2011/12 of £295,000.
- (3) To authorise expenditure with Insight for the 2011/12 financial year of £328,000 and 2012/13 financial year (forecast spend for 2012/13, £450,000) to include the purchase of HP products.
- (4) To authorise regularisation of the contract with Caretower, including authorisation of expenditure of £15,930 for the 2011/12 financial year to pay outstanding maintenance and expenditure of a further £15,930 for the 2012/13 financial year.
- (5) To authorise continued interim software maintenance payments to Cognite Ltd for the committee papers system of £19,200 per annum,
- (6) To authorise continued software licensing and support on the LANDesk System, currently supported by Sparxent Europe Ltd, including authorisation for spend in the financial year 2011/12 for licensing and support and the financial year 2012/13 (additional spending of £48,000, total contract spend of £96,000)
- (7) To authorise the variation of the existing contract with Logica, the current SAP managed service provider, to replace the current obsolescent hardware provision including the one off cost of a hardware refresh of £200,000 and an estimated annual cost for 2012/13 of £1.2 million, which has been allocated through the Council's Financial Forward Plan.
- (8) To authorise the continuation of the software maintenance on the Quest Spotlight and Message Stats software for 2011/12 and 2012/13 (total expenditure of £13,000).
- (9) To authorise continued payment to Civica for the 2011/12 financial year and to maintain the licensing and support for 2012/13 (total expenditure, £16,000).
- (10) To authorise payments to Hornbill for the Support Works software used in both IS and HR areas for 2011/12 and to continue payments through to March 2013 (annual expenditure, £20,000).
- (11) To authorise payments to Scansafe for 2011/12 and continued payments for 2012/13 (annual expenditure, £40,000; total expenditure, £80,000).
- (12) To authorise continued maintenance payments for existing library RFID systems for 2011/12 and 2012/13 (annual expenditure £36,000; total expenditure of £72,000).
- (13) To authorise payments to the Federation Against Software Theft, (FAST), the software compliance organisation, for continuing membership in financial year 2011/12 and financial year 2012/13 (annual expenditure, £14,000; total expenditure, £28,000)

- (14) To authorise the variation of the contract with MessageLabs, which provides the secure e-mail service, including authorisation for additional expenditure of £18,000.
- (15) To authorise payments to Vodafone for a period of two months (expenditure of £47,700) whilst the competitive tender exercise is completed (annual expenditure £286,000) after which a compliant contract will be in place.
- (16) That section 7.2 of the report be deleted.

**18. Extension of Term Maintenance Contracts (Report of the Cabinet Member for Resources and Performance – Agenda Item 18)**

For the reasons set out in the Cabinet Member's report, the Committee;

RESOLVED –

- (1) To authorise a waiver of Contract Procedure Rules to allow extension of the following Term Maintenance Contracts for nine months with the following Contractors:
  - (i) Kirkman and Jourdain Ltd – The three year value of this contract is £1,348,670 and the anticipated spend for the nine month extension is £337,167;
  - (ii) D Long Construction Ltd – The three year value of this contract is £3,349,173 and the anticipated spend for the nine month extension is £837,292;
  - (iii) Oakray Ltd – The three year value of the Mechanical Maintenance Contract with this company is £560,595 and the anticipated spend for the nine month extension is £140,148;
  - (iv) Oakray Ltd – The three year value of the Electrical Maintenance Contract with this company is £401,727 and the anticipated spend for the nine month extension is £100,431;
  - (v) RGE Services Ltd – The three year value of this contract is £227,157 and the anticipated spend for the nine month extension is £56,789;
  - (vi) T&D Barrs Ltd – The three year value of this contract is £244,914 and the anticipated spend for the nine month extension is £61,228;
  - (vii) Clearwater Technology Ltd – The three year value of this contract is £576,165 and the anticipated spend for the nine month extension is £144,041;
  - (viii) Industrial Lifts Services Ltd – The three year value of this contract is £133,359 and the anticipated spend for the nine month extension is £33,339; and
  - (ix) Initial Ltd – The three year value of this contract is £105,000 and the anticipated spend for the nine month extension is £26,250.

Extension of contracts will enable both cyclical and responsive maintenance works to be undertaken throughout the Council's non-housing operational buildings from 1<sup>st</sup> April 2012 until 31<sup>st</sup> December 2012.

- (2) To authorise a waiver of Contract Procedure Rule 5.6.1 as the additional expenditure incurred as a result of the extensions will exceed 10% of the initial contract value.
- (3) To authorise a waiver the Contract Procedure Rule 5.6.2 as the original contract period(s) have been extended before.

**19. Provision of Recruitment Services (Report of the Cabinet Member for Resources and Performance – Agenda Item 19)**

For the reasons set out in the Cabinet Member's report, the Committee;

RESOLVED –

- (1) To approve the award of a call off contract under the terms of the Office of Government Commerce (OGC) Non Permanent Wider Public Sector Human Resources (RM692/L5A) Framework Agreement, to Advantage Professional for a period of 2 years, with an option to extend for a further 12 months, from 30 April 2012.

**20. Environment, Planning and Regeneration Contracts (Report of the Cabinet Member for Resources and Performance – Agenda Item 20)**

For the reasons set out in the Cabinet Member's report, the Committee;

RESOLVED –

- (1) To approve the waiver of Contract Procedure Rules as necessary and authorise:
  - (i) The continuation of the Greenwich Leisure Contract in its current form, without completion of the management agreement and lease, pending the assignment of the Copthall Stadium under lease to Saracens.
  - (ii) The continuation of arrangements for works with J'O Leary & Sons for allotment maintenance until superseded by the new minor works contract.
  - (iii) The continuation of arrangements for works and services with the listed vendors until superseded by new contracts:
    - Bush Wheeler Services
    - DF Keane
    - Gemco
    - Palmerston
    - Iris Gardening Services
    - Iris Play Inspections
    - Spaldings/Bell Brush
    - RM Countryside
  - (iv) The continuation of arrangements for supplies and services with Rigby Taylor for greenspace materials until superseded by the new minor works and goods contract.
  - (v) Regularisation and continuation of appointments for the consultants and legal advisors for the relevant regeneration schemes:
    - AECOM - Dollis Valley
    - CBRE - Mill Hill
    - CBRE - Brent X & Cricklewood
    - CBRE - Dollis Valley
    - DLA Piper
    - DLA Piper
    - Eversheds
    - Paul McDermott
    - Turner & Townsend
    - Urban Practitioners
    - Nabarro



- (vi) Continued spend against JC Decaux, the provider of Borough street furniture, for a period of 12 months with effect from 1<sup>st</sup> April 2012.
- (vii) Continued spend against Castrum, provider of the tenancy database, until regularisation of the existing contractual arrangement.
- (viii) Extension of the existing framework for the parking bailiff contractors for one month until the 30<sup>th</sup> April 2012 with an option to end for a further month, pending completion of the One Barnet parking outsourcing.
- (ix) Continued spend against Appia, highways asset management consultants, until 30<sup>th</sup> April 2012.

**21. Extension of Agency Staff Contract (Report of the Cabinet Member for Resources and Performance – Agenda Item 21)**

For the reasons set out in the Cabinet Member's report, the Committee;

RESOLVED –

- (1) To authorise the Director of Commercial Services to extend the current contract for the supply of Temporary Agency Staff held by Hays Resource Management for a period of six months from the 2<sup>nd</sup> April 2012 to 30<sup>th</sup> September 2012.

**22. Extension of Building Cleaning Contracts (Report of the Cabinet Member for and Performance – Agenda Item 22)**

For the reasons set out in the Cabinet Member's report, the Committee;

RESOLVED –

- (1) To authorise Director of Commercial Services to: (i) extend the existing Contracts for Building Cleaning for a period of twelve months from the 1<sup>st</sup> April 2012 to 31<sup>st</sup> March 2013; and (ii) commence an EU compliant tender process.

**23. MOTION TO EXCLUDE THE PRESS AND PUBLIC:**

RESOLVED – That under Section 100A (4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Category 3 of Part 1 of Schedule 12A of the Act (as amended by the Local Government (Access to Information) (Variation) Order 2006):

**Agenda Item    Subject**

- X1            Exempt information relating to item 8 in public session – Award of Housing Related Contracts for Young People (Report of the Cabinet Member for Education, Children and Families)
- X2            Exempt information relating to item 14 in public session – Freehold Disposal of Surplus Lands adjacent to Broadfields School and North Fairway School (Report of the Cabinet Member for Resources and Performance)
- X3            Exempt information relating to item 15 in public session – 2 Salisbury Road, High Barnet, EN5 (Report of the Cabinet Member for Resources and Performance)

**24. EXEMPT INFORMATION RELATING TO ITEM 8 IN PUBLIC SESSION – Award of Housing Related Contracts for Young People (Report of the Cabinet for Education, Children and Families – Agenda Item X1):**

RESOLVED – That the exempt information be noted

- 25. EXEMPT INFORMATION RELATING TO ITEM 14 IN PUBLIC SESSION – Freehold Disposal of Surplus Lands adjacent to Broadfields School and North Fairway School (Report of the Cabinet Member for Resources and Performance – Agenda Item X2):**

RESOLVED – That the exempt information be noted

- 26. EXEMPT INFORMATION RELATING TO ITEM 15 IN PUBLIC SESSION – 2 Salisbury Road, High Barnet, EN5 (Report of the Cabinet Member for Resources and Performance – Agenda Item X3):**

RESOLVED – That the exempt information be noted

The meeting finished at 9:30pm (having commenced at 8.52pm).