

**Decisions of the Cabinet Resources Committee**

20 June 2012

Cabinet Members:-

Cllr Daniel Thomas (Chairman)

* Richard Cornelius	* Sachin Rajput
Tom Davey	* Robert Rams
* Andrew Harper	

\* denotes Member Present

**1. MINUTES (Agenda Item 1):**

RESOLVED – That the minutes of the meeting held on 4 April 2012 be approved as a correct record.

**2. ABSENCE OF MEMBERS (Agenda Item 2):**

Apologies for absence were received from Councillor Tom Davey.

**3. DECLARATION OF MEMBERS' PERSONAL AND PREJUDICIAL INTERESTS (Agenda Item 3):**

There were no such declarations.

**4. PUBLIC QUESTION TIME (IF ANY) (Agenda Item 4):**

Details are appended of the question asked of and the answer given by the Chairman of Cabinet Resources Committee. A verbal response was given to the supplementary question asked at the meeting.

**5. PUBLIC HEALTH SHARED FUNCTION (Agenda Item 5):**

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

RESOLVED –

1. To approve the outline business case for and agree in principle to the development of a shared Public Health service for the London Borough of Barnet and the London Borough of Harrow for a period of up to three years.
2. To approve the commitment of resources to develop joint Public Health transition plans to implement a shared Public Health target operating model and

organisation structure and prepare for and manage the transfer of Public Health responsibilities from the NHS.

3. To instruct the relevant officers to develop and finalise in consultation with the Barnet Clinical Commissioning Group, the arrangements for the shared Public Health service into a proposed Inter Authority Agreement to be entered into by the London Boroughs of Barnet and Harrow.
4. To instruct the relevant officers to report back to this Committee on the finalised terms of the proposed Inter Authority Agreement and seek authorisation for its completion.

**6. IMPLEMENTATION AND ENHANCEMENT OF THE PARTNERSHIP SAFER COMMUNITIES STRATEGY (Agenda Item 6):**

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

RESOLVED –

1. To approve the strategic outline case to support the delivery of the current Safer Communities Strategy.
2. To approve the work to undertake an outline business case with options appraisal on the opportunities for strategy enhancement as set out in the Strategic Outline Case.
3. That the outline business case on strategy enhancement returns to Cabinet Resources Committee for approval prior to implementation.

**7. ARRANGEMENTS FOR COMMISSIONING A NEW SCHOOL AT MILL HILL EAST (Agenda Item 7):**

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

RESOLVED –

1. To agree the requirements and factors to be considered when commissioning a new primary school within the Mill Hill East regeneration area as set out in the body of the report.

**8. EARLY INTERVENTION AND PREVENTION SERVICES (Agenda Item 8):**

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

RESOLVED – That the Committee note the action of the Children's Services Director under Delegated Powers to extend the Community Barnet contract and the Relate contract for more than 10% of their original value in accordance with Contract Procedure Rules 5.6 and 5.7

- Community Barnet contract (1 November 2011 – 31 March 2012)  
Original value - £64,220    Total Contract Value Incl Extended value - £84,220
- Relate contract (1 November 2011 – 31 March 2012)  
Original value - £5,000    Total Contract Value Incl Extended value - £6,000

## **9. FINAL OUTTURN AND PERFORMANCE REPORT 2011/12 (Agenda Item 9):**

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

RESOLVED –

1. That the 2011/12 Performance Report, Revenue Budget and Capital Outturn position be noted.
2. That the Capital approvals and slippage of £9.257m as outlined in tables 9 and 10 be approved.
3. That Directors take appropriate action to improve performance against those corporate performance, Human Resources (HR), project and risk measures where Q4 performance remains a challenge (Sections 9.3, 9.4, 9.10 and Appendix A).
4. That the Earmarked Reserves and Provisions contained in table 7 be approved.
5. That Provision for Bad Debt position contained in table 14 be approved.
6. That the Final Special Parking Account be noted in Appendix E.
7. That the Barnet Homes leaseholder contributions in table 13 be noted.
8. That the Agency Staff costs for the financial year 2011/12 in table 15 be noted.
9. That the proposed 2011/12 capital additions and deletions totalling £0.031m as set out in Appendix D and the related funding implications in 2011/12 as set out in table 11 be approved.
10. That the proposed 2012/13 capital additions totalling £0.533m as set out in Appendix D and the related funding implications in 2012/13 as set out in table 12 be approved.
11. That the following on-going virements in 2012/13 be approved:
  - £2.765m is requested within the Commercial Directorate to re-align the budgets within Information Systems. There is a nil impact on the service budgets. (paragraph 9.15.1)
  - £16.506m is requested within the Housing service to realign the budget to reflect the transfer of Housing Needs & Resources to The Barnet Group. There is a nil impact on the service budgets. (paragraph 9.15.1)
  - £25.037m is requested within the Special Parking Account to realign the budget to reflect the transfer of Parking Services to an External Service Provider (NSL). There is a nil impact on the service budgets. (paragraph 9.15.1)

- £0.195m is requested within the Hendon Cemetery and Crematorium service to realign the budget to reflect the restructure of the service team and consequent increased income opportunities. (paragraph 9.15.1)
12. That the following on-going virement in 2012/13 be approved as part of the One Barnet programme:
- £0.220m is requested from services listed in Appendix F to Adult Social Care & Health to consolidate budgets in respect of payments to be made to Your Choice Barnet. (paragraph 9.15.1)
  - £0.537m is requested as part of the customer services transformation programme for 2012/13 (£0.657 full year effect for 2013/14 onwards). As part of this programme a number of functions are transferring from service departments below into the customer services team:
    - £0.171m Parking in 2012/13 (full year effect of £0.187m for 2013/14 onwards).
    - £0.050m Youth in 2012/13 (full year effect to be confirmed for 2013/14 onwards).
    - £0.316m Adults in 2012/13 (full year effect of £0.470m for 2013/14 onwards).
 The budgets associated with these functions need to be transferred into the customer services team. (paragraph 9.15.1)
13. That the following contingency transfers for 2012/13 and on-going be approved:
- £0.500m from contingency for 2012/13 and on-going be approved to fund the Leisure budget pressure that has arisen pending the implementation of the Leisure Review. (paragraph 9.16.1)
  - £0.210m from contingency for 2012/13 and on-going be approved for Environment Planning & Regeneration to fund the additional duties the Flood Risk Regulations 2009 (FRR 2009) and the Flood and Water Management Acts 2010 (FWMA 2010) have put on the Council. The Department for Environment, Food and Rural Affairs (DEFRA) have allocated additional funding to enable the discharging of these duties. (paragraph 9.16.1)
14. That the proposed draw down of £6.453m from the Transformation Reserve as set out in section 9.17 and table 16 are approved.

**10. TREASURY MANAGEMENT OUTTURN FOR YEAR ENDED 31 MARCH 2012 (Agenda Item 10):**

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

RESOLVED –

1. That the Treasury Management activity and position for the year ended March 2012 be noted.
2. To note the Council's response to continuing market uncertainty which is set out in sections 9.1.4 and 9.9.

3. To consider any areas on which it would like to receive further information.

**11. CORPORATE RISK MANAGEMENT POLICY STATEMENT AND STRATEGY (Agenda Item 11):**

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

RESOLVED – That the revised Risk Management Policy Statement and Strategy be approved as the policy and procedure by which the Authority will identify, manage, monitor and report risks.

**12. CONTRACT PROCUREMENT PLAN (Agenda Item 12):**

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

RESOLVED –

1. That approval be given for Officers to proceed with the contract procurement activity for the 2012/13 financial year as set out in the Appendix 1 and Appendix 2 to this report subject to budget availability.
2. That the provisional procurement activity for future years be noted.

**13. VARIATION OF THE COUNCIL'S CONTRACT WITH CIVICA FOR THE PROVISION OF THE OPEN REVENUES SYSTEM (Agenda Item 13):**

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

RESOLVED – To authorise a waiver of Contract Procedure Rule 5.6 to vary the contract with Civica which ends in February 2016 for the provision of the OPENRevenues system by £400,000 which will result in a total contract value of £3,443,615. This increase of 13.2% is greater than that allowed by the Contract Procedure Rule of a 10% variation.

**14. RENEWAL OF HEYWOODS AXISE PENSION ADMINISTRATION SOFTWARE AND SERVICES CONTRACT (Agenda Item 14):**

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

RESOLVED – To waive the relevant Contract Procedure Rules and authorise the renewal of the Heywood Axise Pension Software and Services Contract for a period of two years from 14 September 2012 to 13 September 2014. The total value of the new contract will be approximately £128,000 over the lifetime of the contract.

**15. PROVISION OF TEMPORARY AGENCY RESOURCES (Agenda Item 15):**

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

RESOLVED – That the contract for the supply of temporary agency resources be awarded to Comensura Limited from 1 October 2012 valued at £10.6m per annum or £36.7m for the initial 3 year term with the option to extend the contract for a further 12 months for an additional £9.9m. The total contract value including the additional year will be £46.6m.

**16. FUTURE MANAGEMENT OF THE FLIGHTWAYS BUILDING (Agenda Item 16):**

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

RESOLVED –

1. That the Council leases the Flightways building to The Barnet Group Ltd on a two year lease at a peppercorn rental on terms to be agreed between the parties to include:
  - I. The Barnet Group Ltd being responsible for non-structural repairs and maintenance.
  - II. permitting the The Barnet Group Ltd to licence the use of parts of the building to other organisations and retain the income receivable from such users.
  - III. requiring the The Barnet Group Ltd to ensure all organisations using the building occupy under the terms of a licence, such licence to be in an approved form.
  - IV. Authorising the Council's legal department to prepare and complete the relevant legal documentation to effect the recommendations.

**17. RE-COMMISSIONING PREVENTATIVE PROVISION FOR PEOPLE WITH LEARNING DISABILITIES TO SUPPORT PERSONALISATION OF SOCIAL CARE AND HEALTH (Agenda Item 17):**

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

RESOLVED –

1. That the requirements of paragraph 6.4-5 of the Contract Procedure Rules are waived as set out in the report;
2. That authority be given to commission Dimensions to provide preventative support for people with learning disabilities for a period expiring 31.3.2014 as set out in the report.

**18. MOTION TO EXCLUDE THE PRESS AND PUBLIC (Agenda Item 18):**

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            Subject**

***Item***

- X1 Exempt information relating to item 15 in public session – Provision of Temporary Agency Resources (Report of the Cabinet Member for Resources and Performance)

**19. PROVISION OF TEMPORARY AGENCY RESOURCES (Agenda Item 19):**

RESOLVED – That the exempt information be noted.

The meeting finished at 8:40pm

**CABINET RESOURCES COMMITTEE MEETING**  
**20 June 2012**

**Public Question from Theresa Musgrove:**

1. *"I refer the Committee to Item 12, Contract Procurement Plan, point 3.2, which states:*

*In support of the Council's transparency agenda Officers have developed for 2012/13 a separate Contract Procurement Plan for submission to this committee as a stand alone item. This is intended to enhance its visibility and to ensure that the Council's planned procurement activity is given due consideration in the light of its importance to the successful delivery of the Council's corporate objectives and the One Barnet agenda.*

*a. This authority is currently engaged in the competitive dialogue process for two massive outsourcing bids for almost all our council services, worth a staggering £1 billion, a project on a scale as yet unprecedented in the UK. If the council's procurement activity is, as the report asserts, of such importance to corporate objectives and the One Barnet agenda, why has the Cabinet not acted as any sensible administration would do in the circumstances, and instructed the senior management team to suspend the dialogue process until it can be established that the widespread failures in the management of procurement that have come to light, and continue to be exposed, have been proved to be fully identified, and addressed, and more importantly, that any new management systems have been shown to be fully competent?*

**ANSWER**

The Procurement Controls and Monitoring Action Plan responded to key issues from the June 2011 Audit findings and corresponding recommendations. These actions have been followed up and systems, processes and management approach to procurement activity have been implemented and are continually monitored. The Contract Procurement Plan is one of the tools used to forward plan and actively manage future procurement processes. The outsourcing exercises are subject to full and proper project management and I do not agree that they should be stalled

*b. The previous item on the agenda is concerned with the management of risk. I would like to draw the Chair's attention to the following definition in the risk matrix, 'Guidance for a description of impact for assigning a risk impact score', and the red light impact score which is defined by 'catastrophic'. Is this not the most accurate assessment of the inevitable impact of the One Barnet outsourcing programme, in view of the lack of proper preparation for the project, the lack of competence in procurement practices, the giant scale of the whole undertaking and the massive risk to which you are exposing the residents of this borough?"*

**ANSWER**

The risk register is used for the Council to highlight areas of focus where there is a probability of risk and to establish a mitigation plan to reduce probability or completely avoid the risk occurring. In this case the activity is highlighted as red in order that the associated risk is properly highlighted and mitigating action is carried out. The One Barnet risk register is regularly reviewed and was tabled at a recent scrutiny meeting where the discussion proved that risks are being robustly managed. Therefore, I do not agree that the inevitable impact will be 'catastrophic'.