

## Decisions of the Policy and Resources Committee

19 July 2018

Members Present:-

Councillor Richard Cornelius (Chairman)  
Councillor Daniel Thomas (Vice-Chairman)

Councillor Dean Cohen	Councillor Arjun Mittra
Councillor Anthony Finn	Councillor Alison Moore
Councillor Ross Houston	Councillor Sachin Rajput
Councillor David Longstaff	Councillor Barry Rawlings
Councillor Kath McGuirk	Councillor Peter Zinkin

### 1. MINUTES OF LAST MEETING

**RESOLVED** that the minutes of the meeting held on 11 July 2018 be agreed as a correct record.

### 2. ABSENCE OF MEMBERS

None.

### 3. DECLARATION OF MEMBERS' DISCLOSABLE PECUNIARY INTERESTS AND NON PECUNIARY INTERESTS (IF ANY)

Member	Item	Interest Declared
Councillor Barry Rawlings	11 – Award of Contract to Community Sector Development Partner	Pecuniary interest by virtue of the fact that Councillor Rawlings works for one the bidders. Councillor Rawlings left the room and as such did not participate in the discussion or voting on this item.
Councillor Dean Cohen	10 – Saracens Loan Agreement	Councillor Cohen declared he has a personal connection with Saracens. Councillor Cohen left the room and as such did not participate in the discussion or voting on this item.
Councillor Kath McGuirk	7 - Business Planning (recommendation 3)	Non-Pecuniary interest by virtue of the fact that Councillor McGuirk is former pupil of St Michael's School and Governor.

### 4. REPORT OF THE MONITORING OFFICER (IF ANY)

None.

### 5. PUBLIC QUESTIONS AND COMMENTS (IF ANY)

Details of the questions asked and the published answers were provided with the agenda papers for the meeting. Verbal responses were given to supplementary questions at the meeting.

Public comments were made by the following:

- Mr Nick Dixon – Item 8, Review of Capita Contracts – Strategic Outline Case
- Ms Mary O'Connor – Item 10, Saracens Loan Agreement
- Mr Keith Martin – Item 8, Review of Capita Contracts – Strategic Outline Case
- Ms Barbara Jacobsen – Item 8, Review of Capita Contracts – Strategic Outline Case
- Mr John Dix – Item 8, Review of Capita Contracts – Strategic Outline Case
- Mr David Bradford – Item 10, Saracens Loan Agreement

## 6. MEMBERS' ITEMS (IF ANY)

Councillor Arjun Mitra introduced his Member's item requesting an update on the proposed diving pool in Copthall, and what action the Council is taking to support the work of North London Aquatics to establish a diving centre. As part of his request he submitted the following:

1. Why hasn't the GLL contract been published? When will it be? Can we have a copy of it please?
2. Why have North London Aquatics been banned from publicising their charitable activities at Copthall leisure centre?
3. What rationale and legal advice was obtained before advising North London Aquatics that they could not film activities at Copthall leisure centre with Middlesex University due to "Purdah rules?"
4. Will the Council now undertake to do the works to link the diving pool electrical, mechanical and plant work to the rest of the Copthall leisure centre?"

Following discussion of the item, it was agreed that the Strategic Director for Adult, Communities and Health would circulate to Councillor Mitra and the Committee a written response to the questions raised above

**RESOLVED – that the Strategic Director for Adults, Communities and Health circulate to Councillor Mitra and the Committee a written response to the questions raised in the item.**

## 7. BUSINESS PLANNING

The Committee considered the report which provided them with an update on the council's revenue and capital financial position including the council's Medium Term Financial Strategy (MTFS) to 2023/4. The paper further set out the proposed amendments to the capital programme.

The Director of Finance (Section 151) drew the Committee's attention to the additional recommendation that had been tabled, which recommended;

6. That the Open-Door scheme within the Capital Programme is increased by £4.88m funded by, and subject to, the realisation of Right to Buy Receipts. This is required in order to support the Open-Door Homes business plan following increased build costs.

Councillor Barry Rawlings, duly seconded by Councillor Arjun Mitra proposed the following additional recommendation:

**6. Further streamline Committees as follows:**

- Delete FPCC and Chair's SRA subsume functions into relevant Themed Committees – £15,333
  - Merge ARG and Housing – delete one Chair's SRA – £15,333
  - Merge Adults and HOSC – delete one Chair's SRA – £15,333
  - Merge Environment and CLLC – delete one Chair's SRA and put Libraries into merged ARG/Housing – £15,333
  - Delete CGP – subsume functions into Audit – delete on Chair's SRA - £15,333
  - Delete all 10 Vice-Chair's SRAs - £23,680
  - Reduce SRA from Planning, Area Planning, Audit and Pension Fund to tier below – £38,886
  - Reduce Licensing SRA to tier below - £ 6484
- **Make Committees paperless - £68,000**
  - **Delete Cllrs refreshments at Council meetings - £3,500**
  - **Delete Cllrs free parking permits - £2,100**
  - **Make Barnet First cost neutral through sponsorship/advertising - £75,000**

**Total saving approximately - £278,982**

- **Introduce target to reduce spend on senior management costs by 20% - approximately £1m**
- Dismantle commissioning model – restructure to take out duplication of roles – report back possible saving.
- Set up a Working Group to look at income generation across Council services (beyond development)

Upon being put to the vote the additional recommendation proposed by Councillor Barry Rawlings was declared lost. The vote was recorded as follows:

For	5
Against	7
Abstain	0
Absent	0

Upon being put to the vote, the additional recommendation proposed by the Director of Finance (Section 151) was unanimously agreed and become the substantive recommendation 6.

Councillor Rawlings requested that a separate vote be taken the remaining recommendations.

Upon being put to the vote recommendations 1, 5 and 6 were unanimously agreed.

Upon being put to the vote recommendations 2, 3 and 4 were agreed. The vote was recorded as follows

For	7
Against	5
Abstain	0
Absent	0

### **RESOLVED – that the Committee**

- 1. Notes the current forecast of the revenue overspend for 2018/19 as set out in paragraph 1.2.3;**
- 2. Approve the capital programme additions, deletions, slippage and accelerated spend as set out in Appendix B;**
- 3. Approves that the council fund a 10% contribution to the cost of both the Henrietta Barnett School and St Michael’s School applications to the Selective School Expansion Fund, should they be successful, up to a maximum cap of £1 million across the two schools at a revenue cost of £53,000 per year;**
- 4. Approves the deletions from the Capital Programme as set out in table 1; and**
- 5. Approves the debt write offs over £5,000 described in paragraph 1.2.11**
- 6. Approves that the Open-Door scheme within the Capital Programme is increased by £4.88m funded by, and subject to, the realisation of Right to Buy Receipts. This is required in order to support the Open-Door Homes business plan following increased build costs.**

### **8. REVIEW OF CAPITA CONTRACTS - STRATEGIC OUTLINE CASE**

The Committee considered the report which sought authority to develop a Full Business Case reviewing the council’s strategic partnership with Capita, based on the Strategic Outline Case set out in paragraphs 2.1 – 2.12.

Councillor Barry Rawlings, duly seconded by Councillor Ross Houston proposed the following amendment to recommendation 4;

Delete recommendation 4 as set out in the report and replace with;

- *Agrees to develop Full Business cases for both option 2 and option 3 in order to give Policy and Resources the widest possible advice and flexibility and to ensure that a proper assessment is made of the perceived value of the contracts in their entirety.***

Following the discussion, the Deputy Chief Executive proposed the following additional recommendation.

- ***Agrees that option 3 is fully tested and considered in the Full Business Case.***

In view of the additional recommendation proposed by the Deputy Chief Executive, Councillor Barry Rawlings withdrew his amendment.

Upon being put to the vote the additional recommendation was unanimously agreed and became new substantive recommendation 5.

Upon being to the vote the remaining recommendations were unanimously agreed.

**RESOLVED – That the Committee:**

- 1. Agrees to review the council’s partnership with Capita, and authorises the Chief Executive to develop a Full Business Case.**
- 2. Agrees that the proposed strategic aims underpinning the Full Business Case should be to:**
  - a) Deliver high quality services;**
  - b) Secure best value for money for Barnet’s residents; and**
  - c) Strengthen the council’s strategic control of services.**
- 3. Notes the three options identified and considered in more detail in paragraphs 2.4 to 2.7 and Tables 1 to 4.**
- 4. Agrees that option 2 – realigning the CSG and DRS contracts to bring back in house those services listed in Table 5 – is the proposed preferred option to be tested in the Full Business Case.**
- 5. Agrees that option 3 is fully tested and considered in the Full Business Case.**
- 6. Agrees that the Full Business Case should review the joint venture arrangement for the delivery of Development and Regulatory Services.**
- 7. Agrees that the Full Business Case should be considered by Policy & Resources Committee, for referral to Council for final decision.**

**9. ADULTS AND COMMUNITIES CASE MANAGEMENT SYSTEM**

The Committee considered the report which sought authorisation to procure a new delivery partner to complete the delivery of a fit for purpose case management system for adult social care in Barnet, and the allocation of a capital budget to enable the procurement to commence, whilst the process to agree commercial liability with Capita concludes.

Councillor Barry Rawlings duly seconded by Councillor Kath McGuirk proposed the following additional recommendation:

**‘That if the cost is above that which Barnet is contracted for it should be met by Capita.’**

Upon being put to the vote the additional recommendation proposed by Councillor Barry Rawlings was declared lost. The vote was recorded as follows:

For	5
Against	7
Abstain	0
Absent	0

Upon being put the vote the recommendations as set out in the report were unanimously agreed.

#### **RESOLVED –**

- 1. That the Policy and Resources Committee approves a procurement exercise to the value of up to £3m.**
- 2. That the Policy and Resources Committee approves the project for inclusion in the capital programme with the budget requirements set out in section 5.2.**
- 3. That the Policy and Resources Committee agree that an audit lessons-learned exercise is now undertaken and the findings are reported to Audit Committee.**

#### **10. SARACENS LOAN AGREEMENT**

The Committee considered the report which sought an in principle agreement to make a loan of £22.9 million to Saracens at a commercial rate for a period of 30 years to enable the construction of a new West Stand as part of their Allianz Park stadium at Cophall.

Following the discussion, the Deputy Chief Executive proposed the following amendment to recommendation 4.

Delete the following sentence

**‘...to delegate authority to the Deputy Chief Executive in consultation with the Leader, The Deputy Leader and the Leader of the Opposition...’**

and replace with

**“..requests that the Deputy Chief Executive brings a report to the committee seeking authorisation...”**

The substantive recommendation 4 to read:-

**That the Committee**

- 4. Subject to satisfactory completion of the work outlined in recommendations 1 and 2, and approval of a revised TMSS, requests that the Deputy Chief Executive brings a report to the committee seeking authorisation to complete the loan agreement, lending £22.9m to Saracens for the construction of a replacement west stand as part of their Allianz Park stadium at Cophall.**

Upon being put the vote the recommendations as amended were declared carried. The vote was recorded as follows:

For	11
Against	0
Abstain	0
Absent	1*

\*Cllr Dean Cohen was not present due the nature of the interest declared

## **RESOVELD - That the Committee**

- 1. Delegates authority to the Deputy Chief Executive to undertake due diligence (at Saracens' cost) and seek further assurances in accordance with the recommendations of the accompanying exempt report and finalise appropriate securities to ensure the council is meeting its prudential obligations.**
- 2. Delegates authority to the Deputy Chief Executive to take all reasonable steps to prepare to enter into a loan agreement with Saracens Limited for the provision of a new West Stand as part of their Allianz Park stadium at Cophall, in accordance with the exempt report.**
- 3. Subject to satisfactory progress with the work outlined in recommendations 1 and 2, delegates authority to the S151 officer to propose a revision to the Treasury Management Strategy Statement (TMSS) to Council, that allows the loan to progress, for consideration and approval.**
- 4. Subject to satisfactory completion of the work outlined in recommendations 1 and 2, and approval of a revised TMSS, requests that the Deputy Chief Executive brings a report to the committee seeking authorisation to complete the loan agreement, lending £22.9m to Saracens for the construction of a replacement west stand as part of their Allianz Park stadium at Cophall**
- 5. Subject to 1-4 above, delegates authority to the s151 officer to add the loan to the capital programme.**

## **11. AWARD OF CONTRACT TO COMMUNITY SECTOR DEVELOPMENT PARTNER**

The Committee considered the report and which sought authorisation to award the Community Sector Development Partner to the organisations whose details are set out in the exempt report.

Upon being put the vote the recommendations were declared carried. The vote was recorded as follows:

For	11
Against	0
Abstain	0
Absent*	1

\*Cllr Rawlings was not present due the nature of the interest declared

**RESOLVED – That the Committee**

1. **Authorises to award Lot 1 of the Community Sector Development partner contract to Organisation A. The contract will be for two years, with the option to extend for a further two years in one-year increments, subject to budget and performance.**
2. **Authorises to award Lot 2 and 3 of the Community Sector Development partner contract to Organisation B. The contract will be for two years with the option to extend for a further two years in one-year increments, subject to budget and performance.**
3. **Notes that following this decision, a mobilisation plan will begin with the intention of the contract to commence in in early September 2018.**

**12. COMMITTEE FORWARD WORK PROGRAMME**

The Committee noted the Forward Work Programme.

**13. ANY OTHER ITEM(S) THE CHAIRMAN DECIDES ARE URGENT**

None.

**14. 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 paragraphs 2 and 7 of Part 1 of Schedule 12A of the Act (as amended).**

**15. SARACENS LOAN AGREEMENT (EXEMPT)**

**RESOLVED - that the information contained in the exempt report be noted.**

**16. AWARD OF CONTRACT TO COMMUNITY SECTOR DEVELOPMENT PARTNER (EXEMPT)**

**RESOLVED - that the information contained in the exempt report be noted.**

**17. ANY OTHER EXEMPT ITEM(S) THE CHAIRMAN DECIDES ARE URGENT**

There were none.

The meeting finished at 9.50 pm