

Decisions of the Financial Performance and Contracts Committee

1 February 2022

Members Present:-

Councillor Peter Zinkin (Chairman)

Councillor Julian Teare
Councillor Alex Prager
Councillor Nick Mearing-Smith

Councillor Kathy Levine
Councillor Barry Rawlings
Councillor Arjun Mittra

Also in attendance

Councillor Jess Brayne (Substitute)

Apologies for Absence

Councillor Thomas Smith
Councillor Anthony Finn

Councillor Gabriel Rozenberg

1. MINUTES OF THE PREVIOUS MEETING

The Chairman of the Financial Performance and Contracts Committee Councillor Peter Zinkin welcomed all attendees to the meeting. The Chairman read out the Covid-secure arrangements which were in place throughout this meeting, to ensure the safety of all those in attendance.

The Committee noted the amendment in relation to the minutes of the previous meeting under item 9 and the insertion to read:

Councillor Kathy Levine expressed concern about the level of participation and noted that the number of participants was not sufficient.

It was RESOLVED that subject to the above amendment, the minutes of the previous meeting held on 23 November 2021 be agreed as a correct record.

2. ABSENCE OF MEMBERS

Apologies were received from Councillor Gabriel Rozenberg who was substituted by Councillor Jess Brayne. Apologies received from Councillor Anthony Finn and Councillor Thomas Smith.

3. DECLARATIONS OF MEMBERS DISCLOSABLE PECUNIARY INTERESTS AND NON-PECUNIARY INTERESTS

None.

4. REPORT OF THE MONITORING OFFICER (IF ANY)

None.

5. PUBLIC QUESTIONS AND COMMENTS (IF ANY)

The responses to the Public Questions were published and circulated to the Committee prior to the meeting. Upon invitation of the Chairman, Mr Dix and Mr Tichborne joined the meeting and asked supplementary questions which were responded to verbally by Officers and the Chairman.

6. MEMBERS' ITEMS (IF ANY)

None.

7. REVIEW OF CAPITA CONTRACTS

The Chairman invited Deborah Hinde, Director Commercial and Customer Services to present the report to the Committee.

Councillor Kathy Levine queried the assessment process for evaluating value in terms of quality and costs pertaining to planning services. Deborah Hinde informed the Committee about the evaluation process and spoke about the requirements for compliance with local policy, national legislation and monitoring by client Officers.

Officers noted that comparative data with other Local Authorities suggests relatively good value however part of the challenge is that the information needs to be considered in context due to the various methods LA's use to measure evaluation. The Chairman highlighted the importance of value for money and noted the challenges given the large number of applications being processed.

Councillor Barry Rawlings referred to the importance of the social value element of the evaluation process and noted that it should be set higher. Officers stated that social value provisions and the opportunity to enhance these is being considered as part of the negotiations as well as the need to reach the necessary threshold to be considered acceptable.

Councillor Arjun Mittra moved a motion which was seconded, to amend recommendation 2 to include the following wording and read as follows:

That the Financial Performance and Contracts Committee

2. Agrees that further work is required to inform recommendations on the future delivery of services; and to publish the information provided to Committee Members relating to costs and benefits marked for returning services in house.

Votes were recorded as follows:

| | |
|------------|---|
| For | 4 |
| Against | 4 |
| Abstention | 0 |

The Chairman used his casting vote to vote against the motion. The motion was therefore declared lost.

It was therefore RESOLVED that the Financial Performance and Contracts Committee:

- 1. Noted the current position in respect of the contract extension proposals, as set out in section 2 of this report;**
- 2. Agreed that further work is required to inform recommendations on the future delivery of services; and**
- 3. Noted the next stages of activity, as set out in section 4 of this report.**

8. CHIEF FINANCE OFFICER REPORT FORECAST FINANCIAL OUTTURN AT MONTH 8

(NOVEMBER 2021)

The Chairman invited Anisa Darr, Executive Director of Resources (S151 Officer) and Ashley Hughes, Assistant Director of Finance to present the report and summarise the report.

In response to a query from Members about the waste levy, the Chairman explained that the S151 Officer was considering the best way of accounting for the unexpectedly large rebate which arose this year but which as a consequence could lead to a large increase in the future year.

The Committee noted that the overall debt level has improved. In response to a query about the Comer Homes debt, it was noted that the debt was cleared in Month 9 and a settlement reached. Officers informed Members that there are on-going final account negotiations in relation to the Conway Aecom Ltd debt.

It was RESOLVED that the Committee noted:

- 1. The current financial forecast outturn for 2021/22; the ongoing costs of the pandemic and the overall level of commitments against available funding;**
- 2. The current forecast of use of reserves, and the outlook;**
- 3. The current position against ringfenced grant funding;**
- 4. The current forecast for capital expenditure in the year; and**
- 5. The current debt position and related actions.**

9. CAPITAL PROJECTS

The Chairman invited Matthew Waters, Assistant Director Capital Delivery to join the meeting. Mr Waters presented and summarised the report.

It was RESOLVED that the Committee noted the content of this report updating on the current status of the Council's Capital Projects.

10. UPDATE ON SARACENS LOAN

The Chairman invited Cath Shaw, Deputy Chief Executive to present and summarise the report.

Following a query about the importance of robust business planning, the Committee agreed to include an update item on Saracens Loan to its Forward Work Programme as further noted under item 12.

It was RESOLVED that the Committee:

- 1. Noted the position with the loan to Saracens Copthall LLP and the safeguards in place to protect the council's interests.**
- 2. Noted that approval has been given to a change in control of Saracens Copthall LLP (SCLLP) in accordance with clause 12.5 of the Loan Agreement between LBB and SCLLP, following appropriate due diligence as set out in and the further assurances offered by Saracens, summarised in this report and detailed in the accompanying DPR with exempt appendices.**
- 3. Noted the progress being made with the delivery of the West Stand.**

11. BRENT CROSS UPDATE

The Chairman invited Karen Mercer, Programme Director and Luke Ward, to present the report which provides an update on the delivery across the Brent Cross programme and update on emerging issues relating to the Brent Cross West station works contract.

Having considered the item, the Chairman on behalf of the Committee thanked Karen Mercer for her commitment and the huge contribution to this project and welcomed Luke Ward.

It was RESOLVED that the Committee noted delivery progress across the Brent Cross (BX) programme as set out in the presentation to the HM Government Assurance Board on 12 January 2022 (Appendix 1) and the emerging issues relating to the Brent Cross West station works contract.

12. COMMITTEE FORWARD WORK PROGRAMME

The Chairman noted the standing item on the agenda and requested that the following items be added to the Forward Work Programme:

- Saracens Loan Update (15 June 2022)
- Capita Contracts Review report (14 March 2022)

RESOLVED that the Committee noted the Forward Work Programme.

13. ANY OTHER ITEMS THAT THE CHAIRMAN DECIDES ARE URGENT

None.

14. MOTION TO EXCLUDE THE PRESS AND PUBLIC

The Chairman moved a motion, which was seconded and approved, to exclude the Press and Public on the basis that the exempt item will involve discussion of confidential information. The public gallery was cleared.

15. UPDATE ON SARACENS LOAN (EXEMPT)

It was RESOLVED that the Committee noted the exempt information as set out in the report.

16. BRENT CROSS UPDATE (EXEMPT)

It was RESOLVED that the Committee noted the exempt information as set out in the report.

17. ANY OTHER EXEMPT ITEMS THAT THE CHAIRMAN DECIDES ARE URGENT

None.

The meeting finished at 9.40 pm