

MINUTES

CABINET

20 SEPTEMBER 2016

Councillors: Williams (Leader)
Griffiths (Deputy
Leader)
Elliot
Harden
Marshall
G Sutton

Officers:	Mark Brookes	Solicitor to the Council and Monitoring Officer
	Emily - Rae Maxwell	Policy and Participation Team Leader
	Michelle Anderson	Corporate Support Team Leader- Democracy
	James Deane	Corporate Director - Finance and Operations
	Sally Marshall	Chief Executive
	Mark Gaynor	Corporate Director - Housing & Regeneration
	Elliott Brooks	Assistant Director - Housing
	David Skinner	Assistant Director - Finance & Resources
	Richard Baker	Group Manager - Financial Services
	Ben Hosier	Group Manager - Commissioning, Procurement & Compliance

The meeting began at 7.30 pm

CA/88/15 MINUTES

The minutes of the meeting held on 25 August 2016 were agreed by the members present and signed by the Chairman.

CA/89/15 APOLOGIES FOR ABSENCE

None received.

CA/90/15 DECLARATIONS OF INTEREST

Councillor Williams expressed an interest in item CA/099/16 'Options for provision of athletics track within the borough' and noted that his sons were members of the Dacorum & Tring Athletics club.

CA/91/15 PUBLIC PARTICIPATION

None received

CA/92/15 REFERRALS TO CABINET

None received

CA/93/15 CABINET FORWARD PLAN

That the Cabinet Forward Plan be noted, subject to the following amendments:

- Housing Acquisitions Policy report - remove from the October Cabinet
- Delivery of Complementary Development of the Gade Zone – move to November
- Delivery of Complementary Development of the Gade Zone - contact details are Mark Gaynor and James Doe
- December meeting – add Civic Centre Site Feasibility (Pt 2)
- December meeting – add Gadebridge Splash Park (Dave Austin/Joe Guiton)
- Future items:
 - Parking Service
 - Enterprise and Investment Plan
 - Local Plan
 - Treasury Management – February 2017
 - Budget Setting 17/18 – February 2017

CA/94/15 AUTHORISATION OF VIREMENTS

Decision

That the virements as detailed on the attached Form A of the report to Cabinet be approved.

Reason for Decision

To seek Cabinet approval to proposed virements.

Implications

Financial

The Scheme of Virements is part of the Council's financial management as included within Financial Regulations.

Risk Management

There are no risk implications.

Corporate Objectives

To standardise documentation and authorisation requirements for all virements.

Monitoring Officer/S.151 Officer Comments

Monitoring Officer:

No comments to be added to this report.

Deputy S.151 Officer

This is a Section 151 Officer report.

Voting

None.

CA/95/15 TENANCY INVOLVEMENT STRATEGY

Decision

That the revised tenant involvement strategy as set out in the report and Appendix 1 to the Cabinet report be approved.

Reason for Decision

The purpose of this report is to provide the Cabinet with an overview of the new tenant involvement strategy for 2016 – 2020. This includes a new structure for delivering tenant involvement.

Financial

There are no additional financial implications. The ‘*Get Involved*’ strategy will be delivered using the Policy and Participation team budget.

All involvement activities delivered will be assessed to ensure they are for the benefit of our tenants and leaseholder population and those accessing the housing service where appropriate.

Value for Money

It is important that we deliver value for money for our tenants. Robust tenant involvement that uses an outcome focused approach to engagement and scrutiny means we can capture where improvements have been made as a result of tenant involvement and any associated costs or savings. Shaping our annual service plans using our tenants’ priorities helps us to allocate our resources and deliver what is important within the resources that are available. We will work with our tenants to identify more efficient ways of working, such as moving to digital channels enabling us to maximise the resources available. Sharing resources and skills with partner organisations and exploring opportunities for additional funding will also help us to deliver more for less.

Risk Implications

Failure to engage with tenants effectively can risk a breakdown in relationship between the council and tenant population.

The housing operational risk register is presented to the Housing and Communities Overview and Scrutiny Committee on a quarterly basis.

Community Impact Assessment

Community Impact Assessment carried out – see appendix 2

Health & Safety Implications

None

Corporate Objectives

Quality tenant involvement contributes to all of the council's corporate objectives (see appendix 1 - '*Get involved*' vision).

- A clean, safe and enjoyable environment
- Building strong and vibrant communities
- Ensuring economic growth and prosperity
- Providing good quality affordable homes, in particular for those most in need
- Delivering an efficient and modern council

Monitoring Officer/S.151 Officer Comments

Monitoring Officer:

No comments to add to the report

S.151 Officer

There are no direct additional costs associated with this decision. The existing budget for the Policy and Participation team covers the costs of this exercise.

Advice

Councillor Griffiths explained that the tenants and leaseholders and the Overview & Scrutiny Committee have all been involved in creating the new strategy and work was continuing.

E-R Maxwell reported that the strategy went to OSC in July and their recommendations were being worked on. Currently 17 applications had been received for the new Tenant & Leaseholder Committee, which would include tenants, leaseholders, independent members and a non-executive councillor.

In addition there had been great interest from the community, 130 people have already signed up to be involved in the focus groups, a Twitter account has been launched to engage with the tenants. Overall she summarised that the strategy had been very well received.

Councillor Marshall asked if the suggested composition for the committee had been accepted by the Portfolio Holder.

Councillor Griffiths confirmed the suggestion had been accepted however it would result in a Portfolio Holder Decision.

Councillor Marshall was disappointed that there was no reference to the composition included in the strategy. She suggested that the strategy should also note that the relevant Portfolio Holder and OSC Chairman have the right to attend the Tenant & Leaseholder committee meetings, with no voting rights.

Councillor Griffiths agreed it was important to have a non-executive member on the committee. She confirmed that the relevant Portfolio Holder and OSC Chairman would have the right to attend the Tenant & Leaseholder committee meetings.

E Brooks added that once the strategy is approved then the terms of reference would follow. The composition would need to be approved by the Portfolio Holder.

Councillor Williams was content that the figures for the composition were not set in stone at this stage as he wouldn't want the process to be held up.

E Brooks added that they needed to get the right people at this stage rather than just filling the seats.

E-R Maxwell felt that the volunteers already seen were passionate and grateful for the opportunity to have their say with tangible outcomes.

Councillor Sutton asked what skills the independent people would need to have.

E-R Maxwell said they looked at how people would approach making an objective decision; they would need to draw on their professional skills and perhaps previous knowledge/experience of housing issues.

Voting

None.

CA/96/15 PERFORMANCE REPORT QUARTER 1

Decision

1) That the budget monitoring position for each of the General Fund, Housing Revenue Account and Capital Programme accounts be considered;

2) Resolved to recommend:

- **the approval of the revised capital programme to move slippage identified at Quarter 1 into financial year 2017/18.**
- **the approval of the supplementary budgets set out below. Details for these supplementary budgets are set out in the body of the report and have a net nil impact on the General Fund Working Balance:**
 - **Decrease the Corporate Improvement and Innovation Employees budget by £46k**
 - **Decrease use of the Technology reserve by £46k**
 - **Increase the Planning Supplies and Services budget by £100k**

- Increase use of the Management of Change reserve by £100k
- 3) Resolved to recommend a supplementary Capital budget in the Housing Revenue Account of £1.05m for the Affordable Housing Development Fund, as per paragraph 7.3 of the Cabinet report

Reason for Decision

To provide details of the projected outturn for 2016/17 as at Quarter 1 for the:

- General Fund
- Housing Revenue Account
- Capital Programme

Implications

Financial and Value for Money implications are included within the body of the report.

Risk Implications

Risk implications are included within the body of the report.

Health & Safety Implications

There are no health and safety implications.

Corporate Objectives

Delivering an efficient and modern council

Monitoring Officer/S.151 Officer Comments

Monitoring Officer

No further comments to add.

S.151 Officer

This is a Section 151 Officer report.

Advice

Councillor Elliot suggested that recommendation 4 of the report be removed as this had been approved as part of the previous virements report. He added that there was a pressure of £200k expected in Building Control due to number of vacant posts within the establishment and agency staffs are currently carrying out this work, but at a more expensive rate. Work is ongoing to improve processes within the service and make efficiency savings going forward.

He added that the capital programme was also explained in the report. He said that it was envisaged that the multi storey car park would be approved and completed by this time next year.

Councillor Williams asked if any work had been carried out to compare costs for commercial waste.

J Deane explained that there had been increased pressure from the private sector. They had capacity to offer introductory rates which DBC could not match. The rounds at the depot had already reduced by 25% but they needed to understand how flexible the service could be.

Councillor Griffiths asked which council meeting would approve these recommendations.

M Brookes confirmed that they would be recommended to the next Full Council meeting on 28th September 2016.

Voting

None.

CA/97/15 TREASURY MANAGEMENT OUTTURN & PERFORMANCE INDICATORS 2015/16

Decision

Resolved to recommend acceptance of the report on Treasury Management performance in 2015/16 and the Prudential Indicators for 2015/16 actuals.

Reason for Decision

To report upon the performance outturn for treasury management in 2015/16.

Implications

Financial

In accordance with Central Government Guidance on Local Government Investments, and the CIPFA Treasury Management Code of Practice, the order of the Council's investment priorities is 1. Security; 2. Liquidity; and, 3. Return. This may result in the Council achieving a lower rate of return than an organisation operating a more aggressive investment strategy in a less regulated sector.

Risk Implications

Good corporate governance encompasses risk management and making sure that the Council makes decisions with the full knowledge of the associated risks and opportunities. The risk of not reviewing and updating our corporate governance arrangements have been addressed by this report.

Health & Safety Implications

None

Equalities Implications

None

Corporate Objectives

Dacorum Delivers - Optimising investment income for General Fund and Housing Revenue budgets whilst managing investment risk is fundamental to achieving the corporate objectives.

Monitoring Officer/S.151 Officer Comments

Monitoring Officer-

No comments to add to the report.

Deputy Section 151 officer-

This is a S151 Officer report

Advice

Councillor Elliot noted that this would be discussed at the Audit committee meeting on 21 September 2016.

He explained that the positive Capital Financing Requirement (CFR) indicates that the Council had a need to borrow. The General Fund reduction of £7.7m 2015-16, from (£4.5m) to £3.2m, relates to the financing of in-year expenditure on the Capital Programme. The HRA funds available for the future financing of the Capital Programme are held outside of the CFR in the Major Repairs Reserve and Earmarked Reserves, totalling £25.7m.

Voting

None.

CA/98/15 FACILITIES MANAGEMENT AWARD OF CONTRACT

Decision

1. A 5-year contract (with an option to extend for a further 2 years) to Interserve (Facilities Management) Ltd for the delivery of the Facilities Management Services (FMS) be awarded.
2. That authority is delegated to the Corporate Director Finance & Operations in consultation with the Portfolio Holder, Finance & Resources, to initiate the 2 year extension period subject to satisfactory financial and operational performance, and that any extension is within budget.
3. That authority is delegated to the Portfolio Holder, Finance & Resources to extend the scope of this contract to include the buildings/assets in Phase 2 (Berkhamsted Civic Centre, Tring Town Hall and Hemel Hempstead Old Town Hall), subject to the delivery of a business case demonstrating the benefits of such inclusion, and that any extension of scope is within budget.

4. A report back to Cabinet to seek approval to extend the scope of this contract to include the buildings/assets in Phase 3 (any other buildings/assets where it was felt it may be beneficial to be included), subject to the delivery of a business case demonstrating the benefits of such inclusion, and that any extension of scope is within budget was approved.

Reason for Decision

To seek Cabinet approval to award a contract for the delivery of Facilities Management Services.

Implications

Financial

The cost of the FMS is made up from 2 elements.

- The first element is the lump sum charges and these are the known costs for services that will be constantly delivered each month (portage services, security, cleaning etc.).
- The second element is the 'New Works' process, these costs are unknown and will be delivered on an ad-hoc basis as required (building repairs over £500 (comprehensive liability threshold), specialist waste disposal, locksmith services etc.).

Due to the second element of the costs we are unable to provide a precise contract value, but can confirm that the cost of the FMS contract will be covered from within existing budgets.

Value for Money

The award of this contract from the Crown Commercial Services (CCS) framework agreement will have the following implications on value for money;

- A consistent approach to specifications, a common set of service level requirements and standards, a standard set of terms and conditions, scope and key performance indicators.
- Addresses sustainability issues by incorporating the Government Buying Standards, energy efficiency, water consumption and waste minimisation.
- Reduced fees for poor performance meaning that poor performance will result in reduced payments to the suppliers.
- Value for money is gained through better management of cost and performance data.
- NEC3 Term Services Contract is the form of contract to be used for call-off contracts; it includes 10 key performance indicators including one for innovation/gain share.
- NEC3 Term Services Contract is the form of contract to be used for call-off contracts; it includes 10 key performance indicators including one for innovation/gain share.
- Savings in the region of 15% through better buying, leverage, aggregation and standardisation.

Savings in the region of 15% through better buying, leverage, aggregation and standardisation.

Risk Implications

The awarding of this contract has been carried out in full compliance with the Council's procurement rules and as a consequence the risk of any challenge from an unsuccessful bidder is very low.

With regards to the risks associated with the delivery of the FMS contract, these have been addressed through the evaluation of the bids for the 'Mobilisation' period and for the ongoing 'Operational Delivery' of the contracts.

Appropriate risk management methodologies are built into the contract and the monitoring of performance to ensure that risks are identified and managed throughout the duration of the contract.

Additional quality assurance was requested from Cushman and Wakefield and Eversheds to review the specification and drafting of the contract.

Health & Safety Implications

Health & Safety is of paramount importance for the delivery of the FMS contract.

Appropriate Health & Safety requirements have been built into the contract and the monitoring of performance to ensure that Health & Safety issues are identified and managed throughout the duration of the contract.

Community Impact Assessment

A Community Impact Assessment is not required for the award of the FMS contract.

Corporate Objectives

The delivery of the FMS at the Forum supports the delivery of an efficient and modern Council which is one of the priorities of the Council's vision.

Monitoring Officer/S.151 Officer Comments

Monitoring Officer:

The proposed award of contract follows a regulated procurement process which was procured via the CCS Framework Agreement.

The procurement process has been quality assured through support on the technical specification by Cushman and Wakefield and legal support (contract drafting) by Eversheds Solicitors. Accordingly, the Monitoring Officer is satisfied that the contract can be awarded.

Deputy S.151 Officer

The lump sum charges can be met from within existing approved base budgets. There is also sufficient budget for a prudent estimate of "new works". Any additional

works that incur significant costs would be subject to normal financial control measures which would include monitoring and reporting and if necessary seeking additional approvals either in year or through the budget setting process.

Advice

Councillor Elliot explained that Facilities Management had been through a vigorous process and review. Interserve had been chosen from the two BIDS received for the contract and they were a well known firm. The next stages would look into other civic sites.

Councillor Marshall raised disappointed that only two bids had been received.

B Hosier said this 'further competition' was undertaken utilising Lot 1 of the Crown Commercial Framework Agreement for Total Asset Management.

Lot 1 of this framework agreement has 10 Service Providers on it and all 10 were invited to submit a return tender.

A number of the bidders informed us that they were already involved in a number of 'further competitions' from this framework agreement and declined the opportunity to tender.

Bidders need to invest quite a lot of resource when tendering, and if bidders were to tender for all opportunities that arise under this framework, their chances of being successful could be as low as 1 in 10 which may not be that appealing to the bidders. Bidders tend to be selective on which tenders they focus on, and although the Council only received 2 bids, the proposals that were submitted clearly demonstrated their commitment to winning this contract.

To date, 8 contracts have been awarded from this framework agreement totalling £400M, although the contract value of the Council's requirements are nowhere near this figure, the service that will be delivered is as important to us as any of the clients.

Councillor Harden asked for a further explanation of phase 2 and 3 and the expected timescales.

B Hosier explained that the current focus was on Facilities Management for the Forum. The full scope of the contract needed to be included at the initial stages or it could not be included in the contract. There are currently no timescales for Tring and Berkhamsted sites, but there was a recommendation to return to a future Cabinet meeting to decide any additional sites to be included. B Hosier explained that as the contract was for a maximum duration of 7 years (5 years initially with an option to extend for a further 2 years), he would recommend that the Council look at the option of the other sites in the early years of the contract to take full advantage over the duration of the contract.

Councillor Griffiths asked who would decide on the controls for the new works process. For example who would decide the level of maintenance required?

B Hosier explained that a comprehensive liability threshold had been set at £500, any work that fell below this threshold would be paid for by the Contractor and any work that was requested above this threshold would need to be signed off by the Contract Manager. .

Voting

None.

CA/99/15 OPTIONS FOR PROVISION OF ATHLETICS TRACK WITHIN THE BOROUGH

Decision

That based on the principles outlined in this report, Cabinet:-

- 1) Approved that further, more detailed work be undertaken for the possible relocation of the athletics track from Jarman Park to Longdean School, to be funded from the sale of the location of the current track;
- 2) **Resolved to recommend the approval of a capital budget of £150k to progress more detailed design and planning works for the relocation of the athletics track from Jarman Park to Longdean School.**
- 3) Note that a further report will be brought to Cabinet, within the next few months, detailing: the outcome of the detailed design work; the specific budget requirements; and, a marketing strategy for the site of the current athletics track.

Reason for Decision

To consider the options for the provision of an athletics track within the Borough and the best possible location for the track.

Implications

Financial

The anticipated financial receipt as set out in the part 2 element of this report would allow for a supplementary capital estimate to be made to allow construction of the a new athletics track and associated infrastructure (changing, spectator facilities, storage and parking).

Value for Money

The project should allow for the delivery of a new athletics track at no net cost to the Council.

Risk Implications

Delivery of the scheme is subject to planning approval and detailed design work at both the new site in Longdean and also to enable disposal of the current site at Jarman Park and to demonstrate the re-provisioned site.

Health & Safety Implications

Health and Safety issues will be considered as part of the project risk assessment for delivering the project.

Corporate Objectives

Building strong and vibrant communities

Ensuring economic growth and prosperity

Delivering an efficient and modern council

Monitoring Officer/S.151 Officer Comments

Monitoring Officer:

This report seeks approval for further work to develop the proposal for the re-location of the athletics track. Accordingly, further comment will be reserved until full detail has been provided on key issues relating to the development such as achieving best consideration for the existing site, planning and commercial risk from the sale and re-provision, and proposed use arrangements/agreements with the school and other users.

S.151 Officer

The costs and income outlined in Part 2 of this report provides financial justification for further works to be undertaken on this project. As per the recommendation, above, a further report will be brought to Members for final budgetary approval once more detail is available.

Advice

Councillor Williams explained that work had been ongoing with Longdean school and SportSpace for sometime in order to provide a new athletics track. They are very popular but can be costly. There was a tight timescale for this work as Longdean school were currently undergoing works which were due to complete soon and therefore it would make sense to continue into this development rather than start again.

D Skinner added that there was currently £150k in the 2017/18 budget set aside for refurbishing the current track. Therefore if the new site is approved this money would not be required.

Councillor Harden asked who people would need to speak to about football usage on the site.

Councillor Williams said that if the track is relocated; football would not take place on the same field thereby reserving the quality of the site. He noted that all parties involved would discuss the dual site use for the future.

Councillor Marshall enquired as to who was responsible for the management and maintenance cost of the site.

Councillor Williams explained that Longdean and SportSpace would need to agree maintenance costs. DBC and SportSpace would look at management and operational costs.

Councillor Elliot asked who would own the track on Longdean school.
M Brookes explained that in this case the school was an academy and they would own the land and therefore the track.

Councillor Sutton asked if the existing access road to the site would remain.
Councillor Williams said that it was currently on the wrong side to access the athletics track and it was therefore the intention to serve it from the opposite side. This would be a future consideration for HCC and the academy.

Councillor Griffiths asked if there would be an area for spectators and will local schools still be able to use the track for their sports days.
Councillor Williams confirmed there would be an area for spectators and schools would continue to use it for sports days as it would be a fenced off as a separate area.

It was confirmed that the recommendations would be referred to the Full Council meeting on 28th September 2016.

Voting

None.

CA/100/15 EXCLUSION OF THE PUBLIC

That, under s.100A (4) of the Local Government Act 1972 Schedule 12A Part 1 as amended by the Local Government (Access to Information) (Variation) Order 2006 the public were excluded during the item in Part 2 of the Agenda for this meeting, because it is likely, in view of the nature of the business to be transacted, that, if members of the public were present during this item, there would be disclosure to them of exempt information relating to the financial or business affairs of any particular person (including the authority holding that information)

Local Government Act 1972, Schedule 12A, Part 1, paragraph 3 (Minute CA/098/16 & CA/099/16)

The Meeting ended at 8.30 pm