

A meeting of the Cabinet and Corporate Services Scrutiny Committee held at Kensington Town Hall, Hornton Street, London W8 7NX at 6.30pm on 17 November 2014

PRESENT

Members of the Committee

Councillor Pat Mason (Chairman)
Councillor James Husband (Vice-Chairman)
Councillor Adrian Berrill-Cox
Councillor Barbara Campbell
Councillor Sir Merrick Cockell
Councillor Emma Dent Coad
Councillor David Lindsay
Councillor Andrew Lomas
Councillor Daniel Moylan
Councillor Andrew Rinker

Others in attendance

Martyn Carver (Principal Governance Manager)
Michael Clark (Director for Corporate Property and Customer Services)
Nicholas Holgate (Town Clerk and Executive Director of Finance)
Andrew Lee (Head of Strategic Procurement)
Tony Redpath (Director of Strategy and Local Services)

A G E N D A

A1 APOLOGIES

Apologies for absence were received from Councillor David Nicholls and the Cabinet Member for Housing, Property and Regeneration, Cllr Feilding-Mellen.

A2 DECLARATIONS OF INTEREST

None.

A3 MINUTES

The minutes of the meeting held on 27 October were confirmed as a correct record and were signed by the Chairman.

Matter arising: Cllr Rinker asked when changes to the presentation of budgetary information discussed at the October meeting and in subsequent correspondence might be introduced. Mr Holgate said that the budget reports in March would attempt to address some of the issues raised, but Cllr Rinker's challenges were ambitious, particularly in comparing budgeting across councils. Cllr Sir Merrick Cockell directed Members

towards 'LG Inform', a website which allowed comparisons to be made. Mr Holgate subsequently provided the following link to it:

http://lginform.local.gov.uk/reports/view/lga-research/lga-research-report-headline-report-for-london-boroughs?mod-area=E09000020&mod-group=AllBoroughInRegion_London

A4 NEIGHBOURHOOD REFORM PILOT TO TACKLE LONG-TERM WORKLESSNESS

Mr Redpath introduced the key decision report which was seeking agreement to the introduction of a pilot scheme funded by central government to tackle long-term worklessness in Kensington and Chelsea and the City of Westminster. The pilot was a fore-runner of a wider project to be rolled out across central London during 2015/16. Mr Redpath added that the cohort of long-term unemployed to be targeted would be small but intensive efforts would be made by caseworkers to encourage them back into work.

It was noted that to qualify for the pilot, people would have had to be part of the Work Programme for two years, so were liable to be aged mid-20s upwards. Cllr Dent Coad commented that the available jobs did not match the jobs being sought. Cllr Berrill-Cox added that retaining people in employment was difficult so suggested that a longer engagement period was necessary. Mr Redpath said that an important element of the scheme was the development of links with employers that could offer vacancies; and that the Government was aiming for 18 months support but local authorities wanted more flexibility. The scheme was a pilot so it may need to be amended before being rolled out.

Cllr Moylan raised concerns about the process. There was no evidence of a new idea being tested. No lessons from other similar exercises were taken into account. He considered that if Council funding had been involved, the Council would not have been so keen to take part. Mr Redpath explained that the scheme derived lessons from programmes aimed at people with mental illnesses and from the troubled families work; and that local government was keen to experiment with an employment programme that offered the long-term unemployed more intensive and localised support than was available through the Work Programme.

Cllr Lindsay spoke of the work of the Clement James Centre and Spear in the employment field and asked whether the Council could learn from them. Mr Redpath said that they would be among the organisations to which people in the pilot would be referred, but some clients may require other forms of intervention before accessing services such as those provided by Clement James.

The Chairman expressed concerns about whether this represented good value for money. Mr Redpath said that it was part of the purpose of the pilot to establish whether intensive support to this client group offered good value. The Committee noted that feedback from the pilot would be available around the summer of 2016.

The key decision report was received and noted.

A5 PROCUREMENT IN THE ROYAL BOROUGH

Mr Lee spoke of the previous report to Committee in September 2013 on procurement. The Chairman reminded the Committee that it had approved the setting-up of a sub-group to look at commissioning and procurement.

Mr Holgate suggested that Members may welcome a seminar on procurement, which worked through several case studies, before setting the scope for the work of the sub-group.

Members considered that the SEN transport contract would be worthy of closer study. Mr Holgate agreed that this had begun poorly but performance had improved. He commented that it was perfectly possible to follow all the rules and procedures and still have a poor outcome. Cllr Sir Merrick Cockell added that the TFM contract could also form one case study.

Cllr Rinker suggested that issues to be considered should include how specifications were drawn up and how bidders were vetted. He said this part of the process could be open to abuse. Cllr Moylan added that the more subjective elements of procurement, such as scoring designs, should also be examined.

Cllr Moylan directed officers towards the procurement process used by TfL where bidders' suggestions about approaching problems became the intellectual property of TfL and could then be passed to the winning bidder.

RESOLVED –

- That officers be asked to arrange a seminar on procurement and commissioning as described above;
- That the procurement sub-group meet to define the scope of its review after the seminar had taken place.

Action by: Governance Services/Mr Lee

A6 CORPORATE GRANTS – ORAL BRIEFING

Mr Redpath advised the Committee that there would be a meeting with Cllr Hargreaves on 27 November at 5pm in the Cabinet Meeting Room to discuss the allocation of the £2m budget for corporate grants. All Members of the Committee were invited. After the meeting a key decision report on the allocation of the grants would be prepared for Cllr Hargreaves to sign. Cllr Rinker spoke of the need to avoid duplication of services.

A7 TRI-BOROUGH UPDATE (STANDING ITEM)

The Chairman asked about the Section 113 mobility clause that is now included in employee contracts which means staff can be deployed to LBHF, Westminster Council or RBKC, as instructed. Does this clause affect staff working in RBKC's sovereign areas? Is the ability to move staff about at will affecting the Council's ability adequately to provide our services, or monitor contracted services? The Chairman spoke of a perception amongst some RBKC staff and union representatives, as well as some Councillors, that the movement of officers between boroughs favoured H&F, because a significant number of senior officers originate from there which meant that RBKC was losing out to H&F. Mr Holgate refuted this. Services to members had not declined and borough objectives were still being met.

Cllr Dent Coad spoke of anecdotal evidence from staff that job satisfaction had declined. Mr Holgate drew attention to the results of the Your Voice staff survey which showed high scores on satisfaction. He undertook to send a copy to Cllr Dent Coad and Cllr Husband.

Action by: Mr Holgate

A8 CABINET MEETING – 20 NOVEMBER

In respect of **Report A15 on 19-27 Young Street**, the Committee welcomed the Cabinet's decision to defer a decision at its meeting in September and to carry out notification and negotiation before reaching a decision. The Committee reiterated its concerns about the use of S122 and wished to recommend the Cabinet at its meeting on 20 November:

- (i) That the Cabinet give an undertaking not to use this power in future without giving affected residents/businesses notice that it intends to do so;
- (ii) That the Cabinet re-examine the relationship between the Council's role as a landowner and its role as a public body and respond to the Committee as to whether it considers it proper to use this power with the principal purpose of accruing financial gain;

- (iii) That clarification be given about the financial benefit to a third party (Grainger) from using this power as this appeared to the Committee to be outside the spirit of the Act;
- (iv) That clarification be given about why the Council saw fit to agree that the Indemnity Agreement contain a confidentiality clause and whether the Indemnity Agreement can be disclosed.

Action by: Governance Services

In respect of **Report A16 on Mid-Year Vital Signs** the Chairman welcomed the fall in staff sickness levels (HR1108). It was also noted that there had been a one-off blip in August leading to the indicator on days to relet Council housing rising from 19 to 25 (HS4).

Cllr Lindsay asked about the Troubled Families Programme performance (FCS67). It was noted that WCC and RBKC had not met the target. Mr Holgate explained that fewer troubled families had been identified in these boroughs. The cohort in other boroughs had been larger and they had started from a lower base. Some families may have moved out of WCC and RBKC as a result of welfare reform.

With reference to **Report A13 on 407-409 King's Road**, Cllr Rinker suggested that efforts should be made to take commercial leases out of the 1954 Landlord and Tenant Act as it gave the Council more flexibility. It was noted that this was done for new leases.

The other reports on the Cabinet agenda were noted.

A9 FORWARD PLAN - AS AT 7 NOVEMBER

Noted.

A10 OTHER URGENT ITEMS

No other matters were discussed.

EXCLUSION OF PRESS AND PUBLIC FROM THE MEETING:

There were no matters requiring the exclusion of the press and public from the meeting.

The meeting ended at 8.40pm

Chairman