

**MINUTES OF THE MEETING OF THE OVERVIEW & SCRUTINY COMMITTEE
HELD ON TUESDAY, 18 JUNE 2019**

COUNCILLORS

PRESENT Susan Erbil (Chair), Tolga Aramaz, Sinan Boztas, Bernadette Lappage, Achilleas Georgiou, Doug Taylor, Edward Smith and Lee David-Sanders

ABSENT Guner Aydin

STATUTORY CO-OPTES: *1 vacancy (Church of England diocese representative), Mr Simon Goulden (other faiths/denominations representative), Mr Tony Murphy (Catholic diocese representative), Alicia Meniru & 1 vacancy (Parent Governor representative) - Italics Denotes absence*

OFFICERS: Peter George, Programme Director, Meridian Water
Doreen Manning, Procurement Manager, Corporate Procurement
Pauline Albers, Regeneration Officer
David Duffield, MW Infrastructure & Construction Manager-
STACE
Claire Johnson, Head of Governance & Scrutiny
Stacey Gilmour, Governance & Scrutiny Officer

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WELCOME & APOLOGIES

The Chair, Councillor Erbil welcomed all attendees to the meeting. Apologies had been received from Councillor Guner Aydin.

Councillor Doug Taylor was substituting for Councillor Guner Aydin.

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DECLARATIONS OF INTEREST

There were no declarations of interest.

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**MW STRATEGIC INFRASTRUCTURE- CONTRACTOR PROCUREMENT
HIF NON-RAIL**

The Committee received a report from the Programme Director– Meridian Water in consultation with the Director of Law and Governance.

NOTED that this report was considered in conjunction with the information in the part 2 agenda.

All discussion on this item took place in the part 2 section of the meeting.

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WORK PROGRAMME AND WORKSTREAMS 2019/20

RECEIVED a copy of the work programme and initial workstreams for 2019/20.

Work Programme

- The Work Programme was flexible and could be added to/amended as the year progressed to consider any issues that may come to light;
- Provisional Call-In dates could also be used for business meetings as and when required.
- The Chair had recently been to a Charing Skills meeting and pre-decision scrutiny had been a hot topic. Members questioned how the decision was made on what reports came to OSC for pre-decision scrutiny and it was agreed that there needed to be some sort of method in place for deciding what reports OSC looked at and where in the process this happened. It was also felt that reports coming to OSC for pre-decision scrutiny should be in less of a 'draft' format and more 'final'. Claire Johnson, Head of Governance & Scrutiny agreed to discuss this matter with Jeremy Chambers, Director of Law & Governance to discuss the process for pre-decision scrutiny going forward.

Action: Claire Johnson

- Some Scrutiny Committees receive and consider petitions and Members felt that this was a good idea. Claire Johnson, Head of Governance & Scrutiny advised that Enfield do have this process and explained that each petition has to meet a threshold (number of signatures) for it to come before OSC and full Council.
- A few changes were made to the Work Programme; reports were moved to earlier/later meetings during the year. The Work programme would be updated accordingly.
- ACMs (Associated Cabinet Members) to be invited to OSC meetings individually to provide an update report on their individual areas. It was suggested that this should be added to the Work Programme for the July, September and November 2019 meetings:
- It was agreed that six-monthly updates from the Chairs of the Crime and Health Scrutiny Panels also be incorporated into the Work Programme. The most appropriate dates would be agreed with the relevant Chairs of the panels and factored into the OSC Work Programme.
- The Work Programme will be managed accordingly to ensure that each meeting date is well balanced.

Workstreams

AGREED the initial workstreams for the year as follows:

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- Improving Enfield Shopping Areas – Cllr Tolga Aramaz to Chair
- Exclusions – Cllr Bernadette Lappage to Chair
- Procurement – Cllr Edward Smith to Chair
- Meridian Water – Cllr Achilleas Georgiou to Chair

The memberships and scopes for each workstream would now be agreed.

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MINUTES OF THE MEETINGS HELD ON THE 1 AND 22 MAY 2019

AGREED the minutes of the meetings held on 1st and 22nd May 2019 subject to the following amendments:

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- It was stated that there were some serious reservations about the proposals. It was pointed out that there had already been significant improvements to the current model, with the number of first-time fixes rising from 26% to 76%. Concerns were also raised that the Council could be hit by extra costs, for example, having to spend money on things such as storage depots. Garry explained that in terms of depots there is a contingency in the business plan to allow for that. He went on to advise that the initial consideration is to use third-party suppliers therefore there will not be the need for significant investment in infrastructure.

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- Members were concerned that the Equalities Impact Implications had been omitted from the report and, although the committee welcomed the idea of pre-decision scrutiny, they felt that it was imperative for the committee to receive at least completed draft reports if, as a Scrutiny Committee, it was to hold Cabinet reports to account. Councillor Aramaz reiterated these comments and said that in future he wanted to see full/final reports when they came to the Overview & Scrutiny Committee.

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DATES OF FUTURE MEETINGS

NOTED the dates of future meetings as follows:

Provisional Call-Ins

Thursday 20 June, 2019

Wednesday 3 July, 2019

Thursday 8 August, 2019

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Thursday 19 September, 2019
Thursday 31 October, 2019
Thursday 28 November, 2019
Thursday 19 December, 2019
Thursday 30 January, 2020
Thursday 6 February, 2020
Wednesday 4 March, 2020
Thursday 26 March, 2020
Tuesday 28 April, 2020

NOTED the business meetings of the Overview & Scrutiny Committee will be held on:

Tuesday 18 June, 2019
Tuesday 23 July, 2019
Wednesday 4 September, 2019
Thursday 7 November, 2019
Thursday 13 February, 2020
Thursday 2 April, 2020

The Overview & Scrutiny Budget Meeting will be held on:

Wednesday 15 January 2020

It was noted that Councillor Lappage had previously requested that the meeting scheduled for the 23rd July 2019 be changed as she was away on this date. Unfortunately, it had not been possible to change this meeting date and Councillor Lappage expressed her frustration that her request could not be accommodated.

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EXCLUSION OF PRESS & PUBLIC

Resolved in accordance with the principles of Section 100A (4) of the Local Government Act 1972 to exclude the press and public from the meeting for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 3 of the Part 1 of Schedule 12A to the Act (as amended by the Local Government (Access to Information) (Variation) Order 2006.

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MW STRATEGIC INFRASTRUCTURE - CONTRACTOR PROCUREMENT HIF- NON-RAIL

Peter George, Programme Director- Meridian Water introduced the report which had come to OSC as part of the pre-decision scrutiny process. The following was noted:

- (i) A procurement of this nature is an unusual undertaking for the Council. Given the high value and complexity Peter advised that he was keen to

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bring this report to the Overview & Scrutiny Committee as early as possible to seek guidance and scrutiny. The Council are also asking the GLA and Government Advisors to undertake a similar review to test the robustness of this procurement.

- (ii) In early December 2018 the GLA submitted, on behalf of Enfield Council, a funding application to Central Government for a total of £156m to build strategic infrastructure in Meridian Water. Confirmation on whether Enfield Council/GLA have successfully secured the HIF funding is expected in summer 2019, although when the announcement will be made is not certain.
- (iii) In order to ensure timely delivery of works ahead of the future deadline, the Council adopted an accelerated programme of design and procurement and is seeking approval to procure a main contractor ahead of finalising the HIF funding agreement.
- (iv) At its meeting on 25th July 2018, Cabinet delegated to the Programme Director of Meridian Water (in consultation with the Director of Law and Governance) the decision to authorise the contractor procurement procedure for HIF delivery works to comprise enabling works, utility provisions, flood alleviation works to deliver the Central Spine road as well as remediation and earthworks at the central area of the development for early delivery of homes.
- (v) Following a detailed Options Appraisal, a Competitive Dialogue Process leading to a multiple supplier framework agreement has been identified as the preferred procurement route for the strategic road and flood alleviation works. This process best addresses the key issues that are related to the nature and complexity of the project which is the subject of this report.
- (vi) It is recommended that the Programme Director-Meridian Water in Consultation with the Director of Law & Governance approves the commencement and undertaking of the procurement of a main contractor for the scope of works identified in the main body of this report, subject to sign off, of the procurement documents by the Director of Law and Governance and the Director of Finance. It was noted that a separate report seeking approval to award the contract to the successful tenderer will be taken to Cabinet.

Following Peter's introduction discussions took place and the following questions/issues were raised:

- Members raised their concerns that the Part 2 To Follow Paper had been tabled at the meeting, therefore not allowing them the opportunity to consider the information provided. Members requested that all future reports/papers be circulated well in advance of the meeting to allow sufficient time to read and digest all the relevant information. Peter George explained the reasons for this delay and fully accepted criticism for this. He apologised for the frustration this delay had caused and assured the committee that all future papers would be circulated at the earliest opportunity.
- Should the funding be successfully secured, all capital works must be completed before the delivery deadline of March 2023, but central

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government may agree to extend to March 2024. Enfield Council have requested acknowledgement from central government that the project would require a programme contingency of nine months taking the project completion long stop date to December 2023, which will need to be reflected in the funding agreement.

- Members questioned what would happen if the Council is unsuccessful in its bid or secures a materially lower amount of HIF Funding than requested. Peter explained that if this was to happen the scope and phasing of the works will need to be reviewed. The framework approach doesn't commit the Council to instructing any works and in the event of no funding or part funding being secured, some works could still be called off under the framework, subject to available LBE budget.
- Questions were raised regarding timelines and Peter advised that in order to ensure timely delivery ahead of the funding deadline a main contractor needs to be appointed on the framework by early 2020. This requires the Council to start the procurement process for the road and alleviation works ahead of finalising the funding agreement.
- Discussions took place regarding the cost and funding and a breakdown and explanation of the figures was provided. Members felt that the report needed to clearly clarify the figures as it was currently somewhat confusing. Peter thanked Members for their feedback and would ensure that the figures were made clearer in the final report.
- In answer to questions regarding management of the project Peter advised that Stace Project Management had been appointed to manage the design, procurement and delivery of the strategic road and flood alleviation works. The Meridian Water Team will carry out a review of the project management arrangement in place with the aim of strengthening the team and ensuring the right capacity and capability is available to manage the delivery of the works.
- The Council has a comprehensive delivery strategy for bringing forward the infrastructure and a robust governance structure is being put in place to provide oversight and direction for the delivery of the works, including how the Council will work with any other key delivery partners.
- Information was provided on Tendered Scope of Works and a diagram and overview of the infrastructure and associated works proposed for the Housing Infrastructure Fund is attached as Appendix 1.2 of the Part 1 report.
- Further discussions took place regarding the procurement process and contract approach. Information was also provided on the multiple supplier framework agreement and why this had been identified as the preferred procurement route for the strategic road and flood alleviation works.
- The multiple supplier framework approach is suitable for the scope of works, given that the funding, the exact design and the land acquisition will not have been confirmed at the point of procurement. The framework approach allows the Council flexibility to instruct specific works and services as and when they are required and doesn't commit

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the Council to instructing the individual work packages until a call-off contract has been signed.

- The scope of works includes work located on privately owned land. The Council aims to acquire third party land by private treaty, but it is acknowledged that the Council may be required to use its compulsory purchase powers to acquire the necessary parcels of land. A further report will be brought to Cabinet to authorise the making of a compulsory purchase order required to deliver the HIF works.

Following in-depth discussions, the Overview & Scrutiny Committee made the following recommendations for the final report:

- Report to clearly show/clarify figures;
- Clarification of the HIF date. Is this March 2023 or 2024? This is not clear in the draft report;
- There are inconsistencies in the Part 1 and 2 reports with the terminology and phrasing with regards to what will happen if the HIF funding is not forthcoming. This needs to be clarified and consistent in both reports;
- Report to include a detailed breakdown of costs and financial implications;
- Report to clarify who are the responsible officers and how the project will be managed;
- Financial Modelling to come back to OSC as pre-decision scrutiny;
- ELAA numbers (definition/figures and percentages) to be circulated by email to all Members of OSC as soon as possible;
- The report should include a detailed programme for the procurement process and show clearly what the critical timelines are.

The Chair thanked Officers for their informative report and the committee looked forward to receiving further updates as and when they were available.