

**MINUTES OF THE MEETING OF THE OVERVIEW & SCRUTINY COMMITTEE
HELD ON THURSDAY, 14 SEPTEMBER 2023**

COUNCILLORS

PRESENT (Chair) Mahmut Aksanoglu, Maria Alexandrou, Hivran Dalkaya, Michael Rye OBE, Nicki Adeleke, Ayten Guzel, Nia Stevens and Elisa Morreale

ABSENT Margaret Greer, Nawshad Ali, Kate Anolue and James Hockney

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

OFFICERS: Joanne Drew (Strategic Director, Housing and Regeneration), Andrew Cotton (Interim Investment and Resident Safety Programme Director), Ayfer Chol (Head of M&E Compliance), Kerrie Mitchell (Commercial and Procurement Manager), Simon Pollock (Interim Executive Director, Environment and Communities, Cheryl Headon (Interim Director, Parks, Leisure and Culture), Matthew Watts (Interim Head of Sports and Leisure), Claire Johnson (Head of Governance, Scrutiny and Registration Services), Jane Creer (Secretary)

Also Attending: Cllr Lee Chamberlain (Call-In Lead Member)

1

WELCOME & APOLOGIES

Cllr Aksanoglu, Chair of the meeting in Cllr Greer's absence, welcomed everyone to the meeting and introductions were made.

Apologies for absence were received from Cllr Margaret Greer, Cllr Nawshad Ali, Cllr Kate Anolue and Cllr James Hockney. Cllr Greer was substituted by Cllr Nicki Adeleke. Cllr Ali was substituted by Cllr Ayten Guzel. Cllr Anolue was substituted by Cllr Nia Stevens. Cllr Hockney was substituted by Cllr Elisa Morreale.

Apologies for absence were also received from Cllr George Savva, Cabinet Member for Social Housing, and from Cllr Chinelo Anyanwu, Cabinet Member for Public Spaces, Culture and Local Economy.

2

DECLARATIONS OF INTEREST

There were no declarations of interest.

3

MINUTES OF PREVIOUS MEETINGS

AGREED the minutes of the Overview and Scrutiny Committee meetings held on 9 May 2023, 24 May 2023 and 21 June 2023 be confirmed as a correct record.

4

DECISION CALLED-IN- KD5638- AWARD OF A CONTRACT FOR THE MECHANICAL & ELECTRICAL SERVICING (HOUSING COMPLIANCE)

Details of the decision taken and issued on 14 August 2023 had been included on the Publication of Decision List No.14/23-24. The report also set out officer responses to the reason for call-in.

The decision had been called-in for review by 10 members of the Council: Councillors Lee Chamberlain (Lead), Hannah Dyson, Peter Fallart, Alessandro Georgiou, Adrian Grumi, Chris Joannides, Andy Milne, Paul Pratt, Ruby Sampson, and Emma Supple.

5

REASONS FOR AND OFFICER RESPONSE TO CALL-IN- KD5638 - AWARD OF A CONTRACT FOR THE MECHANICAL & ELECTRICAL SERVICING (HOUSING COMPLIANCE)

The reasons for the call-in were presented by Cllr Lee Chamberlain as Lead Member.

Cllr Chamberlain summarised the concerns in respect of the decision. The scoring of the tender submissions was questioned. There was concern that the recommended contractor's bid may not be feasible or sustainable. There was concern that either the selected contractor would fail to deliver the safety inspections to the required standard, or that there would be further funding adjustment requests once the contract was secured. Assurance was sought that the service would be delivered within budget, and that proper inspections would be completed.

The Chair asked officers for their responses.

Joanne Drew, Strategic Director of Housing and Regeneration, provided context that the service would cover around 15,000 Council homes and was one of ten contracts this year for compliance services. The Council's Housing function had a strong team for statutory compliance which performed very strongly. They worked with Procurement colleagues and used professional contractors.

Andrew Cotton, Interim Investment and Resident Safety Programme Director, responded in further detail to confirm that the successful bidder had confirmed compliance with the specification. He provided assurance that the bidder met

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the quality standard in this function. Quality control included that technicians held appropriate qualifications, the company performed quality control, there were test checks, and that there would be contract monitoring by Council officers. KPIs were agreed and specified in the contract. There were provisions for improvement notices and for contract termination. In respect of the pricing, this was broadly in line with pre-tender estimates. A clarification meeting had been held with the contractor, who advised that they used multi-skilled technicians, avoiding the need for revisits. They avoided use of sub-contractors. They successfully delivered services to other local authorities. The scoring and weighting within tender evaluations would be made explicit in future reports. The tender process had been reviewed, and it was supported by the external procurement specialists.

The Chair welcomed questions from other members of the committee:

Q1. Which other local authorities worked with this contractor?

A1. They included Lewisham, Greenwich and Camden boroughs, and Thurrock.

Q2. Could officers give assurance that the budget would not be exceeded?

A2. There would be effective contract monitoring. Regular reports were provided and there was robust monitoring of budgets and processes to manage any potential overspending within the Council. The risk of overspending had been examined: if there was a need for spending for safety that would be a priority for the Council and require re-budgeting, but this contract was for regular servicing so was quite predictable in respect of costs.

Q3. Further details were requested on how the successful bidder's tender submission had been evaluated.

A3. Important aspects within the bid were highlighted.

Q4. Why was the decision made to offer one contract for the whole borough?

A4. It was considered more efficient to use one contractor for the whole borough.

Q5. Further details were requested on the inflation allowance specified.

A5. This was standard practice, and was averaged over the period of the contract.

Q6. Was the holding of a clarification meeting with the bidder exceptional?

A6. This was normal practice, and had no impact on the scoring.

Q7. Further details were requested in respect of the promise of social value and ethical employment policy from the bidder.

A7. This was a commitment from the contractor and they could be held to account on that. On the request of Cllr Rye, the specific commitments would be provided to members.

ACTION: Andrew Cotton

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Q8. Further details were requested in respect of contingency and the contract price.

A8. The contingency was normal in these contracts. The successful bidder had confirmed they used multi-faceted technicians.

Q9. Further details were requested in respect of the expectations and the monitoring of the contractor's work by Council officers.

A9. It was confirmed there would be certification of the work programme, directed by the Council. There would also be financial management in respect of the costs of the work. Data would be monitored, evaluated and tested through the internal audit function. There would also be quality assurance from the contractor.

Q10. How frequently would meetings take place between the Council and the contractor?

A10. Meetings were anticipated monthly.

Q11. Were there means to terminate the contract if issues arose?

A11. The processes were set out: from informal expression of concern, to formalised procedures and, if not satisfactorily resolved, to serving of notice and termination of the contract. This was an industry standard contract and was robust.

Q12. Further details were requested in respect of the use of the external consultancy company Echelon Consultancy Limited, and accountability.

A12. The company was confirmed as an established specialist and worked on procurement support. LB Enfield officers scored the tenders. The consultancy were accountable for compliance with the procurement process and rules.

Q13. Further details were requested in respect of certification and test checking of the contractors' work.

A13. Some work such as on communal area lighting would be certified by the operative. There would be tests of a sample by the company's own supervisor. There would be further tests of a sample by Council officers to ensure quality was satisfactory. The company had to maintain quality standards to maintain their certification. For their accreditation they needed to have demonstrated quality systems. It was confirmed that two Council officers were qualified to carry out test checking of the works. This was consistent with the numbers in other local authorities and sufficient for covering sample checks.

Q14. Details were requested of engagement with the residents.

A14. It was confirmed there would be contact with the residents due to the nature of this contract, particularly where there was a need to access properties. This would be done in line with the equality procedures and the engagement team had awareness of best methods.

Q15. Details were requested on climate change implications and carbon reduction.

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A15. The successful bidder would make fewer visits to properties as the technicians could do more checks in one visit. This would have an impact on mileage. There would be use of local suppliers where possible.

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ORIGINAL DECISION OF CALL-IN- KD5638 - AWARD OF A CONTRACT FOR THE MECHANICAL & ELECTRICAL SERVICING (HOUSING COMPLIANCE)

The Call-in Lead, Cllr Lee Chamberlain, summarised the points made during the discussion, but considered that the underlying concerns had not been fully addressed particularly in respect of cost control and monitoring of quality. He called for the decision to be referred back to the decision-maker to be looked at again.

The Chair, Cllr Mahmut Aksanoglu, summed up the main points of discussion in the call-in and the officers' response.

The Overview and Scrutiny Committee considered the reasons provided for the call-in and responses set out in the officers' report. Having considered the verbal responses from the relevant officers, the Committee **AGREED** to confirm the original decision made by the Executive Director of Housing, Regeneration and Development.

7

REVIEW OF LEISURE PROVISION IN THE BOROUGH -UPDATE

A confidential update report of Matthew Watts, Interim Head of Sports and Leisure, was received further to the report considered by Overview and Scrutiny Committee on 9 May 2023.

Cheryl Headon, Interim Director Parks, Leisure and Culture, summarised progress since May 2023 in respect of the future management of leisure centres.

Questions and comments were invited from committee members, and responded to by officers.

8

SCRUTINY ANNUAL WORK PROGRAMME 2023/24

Claire Johnson, Head of Governance, Scrutiny and Registration Services, introduced the Scrutiny annual report for 2022/23 and the draft work programmes for Overview and Scrutiny Committee and the seven standing Scrutiny Panels for 2023/24.

Areas of duplications in work programmes had been identified and were resolved as follows.

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Overview and Scrutiny Committee 14 November 2023 to consider Clinical Commissioning – Integrated Care Board (ICB) and how this will affect the local authority.

Environment and Climate Action Scrutiny Panel 24 October 2023 to consider Fly-tipping and enforcement.

Finance and Performance Scrutiny Panel and Housing Scrutiny Panel to consider Temporary Accommodation and Housing Revenue Account (HRA) as the panels' focus differed.

AGREED that the Scrutiny annual report and the proposed work programmes for the Overview and Scrutiny Committee and the Scrutiny Panels for 2023/24, subject to the above amendments, be recommended to Council for adoption.

9 DATES OF FUTURE MEETINGS

NOTED that the next business meeting of the Overview and Scrutiny Committee is scheduled to take place at 7pm on Tuesday 14 November 2023.