



Leicester
City Council

Minutes of the Meeting of the
CABINET

Held: MONDAY, 12 JULY 2004 at 5.00pm

P R E S E N T :

Councillor R. Blackmore - Chair
Councillor Johnson - Vice-Chair

Councillor Coley
Councillor Ramsdale

Councillor Mugglestone
Councillor Scuplak

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25. DECLARATIONS OF INTEREST

Members were asked to declare any interests they may have in the business to be discussed and / or indicate that Section 106 of the Local Government Finance Act 1992 applied to them.

There were no declarations.

26. LEADER'S ANNOUNCEMENTS

Summer Fun Programme

The Leader noted that as it was the first day of the school summer holidays, the Summer Fun Programme had begun. The Programme included a wide range of activities which had been put together by the Council's museums, sports, libraries, parks services, gallery, youth and play organisations.

Netherhall Library

The Leader reported that Netherhall Library had moved into a new building which was a shop unit. This was part of a programme of moving libraries into shops which had proven successful in St. Matthews.

27. MINUTES OF PREVIOUS MEETING

RESOLVED:

that the minutes of the meeting of Cabinet held on 21 June 2004, having been circulated to Members, be taken as read and signed by the Chair as a correct record.

28. MATTERS REFERRED FROM SCRUTINY COMMITTEES

FINANCE, RESOURCES AND EQUAL OPPORTUNITIES SCRUTINY COMMITTEE – 14 JUNE 2004

Needs of the Somali Community

The Committee resolved the following at the above meeting:-

that the following issues be co-ordinated into a report and submitted to Cabinet:-

- *to instruct Officers to create or revive a working party / taskforce which looks at the needs of the Somali Community and has representation from all Council Departments and relevant agencies;*
- *to instruct this working party/taskforce to produce proposals to address the issues raised in the report and the presentations;*
- *that a report be produced by the working party/taskforce which considers the long term needs of the Somali Community;*
- *to instruct Officers to enable the Somali Community to have a full opportunity to access the Community Cohesion Fund;*
- *that Cllr. Suleman, as Cabinet Lead for Community Cohesion and the Chief Executive, or the entire Cabinet if necessary, be requested to meet with representatives of the Somali Community to explain how the Community Cohesion fund will work and to discuss in detail any issues which the Somali Community have raised;*
- *that the Leader be requested to make a formal response to the meeting held on 12 March 2004 with Mr. Haji outlining what action has been taken following that; and*
- *that progress on these matters be reported to the next meeting this Committee.*

Councillor Blackmore in response stated that he had asked Officers to set up a working party to consider the issues raised by the Committee. He further explained that members of the Somali community had been informed about the Community Cohesion Fund and that Councillor Suleman had been involved in meetings with members of the community on this matter. Councillor Blackmore also stated that he had made a formal response to Mr. Haji regarding the meeting that they had on 12 March 2004.

Councillor Blackmore stated that a full report considering the needs of the Somali Community would be submitted to the next meeting of Cabinet considering in detail the issues raised by the Scrutiny Committee.

NRF Programme 2004 – 2006 – Leicester Partnership Infrastructure and Capacity Programme

The Committee resolved the following at the above meeting:-

- *that Cabinet be informed of that it is the view of the Committee that the amount of money being spent on administration of the Neighbourhood Renewal Fund is disproportionate and that Cabinet be asked to look at ways of rebalancing expenditure between activities and administration.*

Councillor Scuplak in response said that he shared the concerns of the Committee but he noted that the Government had set up a complex monitoring process which meant that it was necessary to put in place sufficient arrangements to meet Government requirements. He stated that he had been assured by Officers that the arrangements that were in place were necessary. He further commented that he would keep the matter under review and if concerns developed then he would seek to take whatever action was possible within the constraints set down by the Government.

29. DISABILITY DISCRIMINATION ACT INITIATIVES 2004/2005

Councillor Coley submitted a report advising Cabinet of the works recommended to be funded from the Disability Discrimination Act Initiatives budget for 2004/2005, including the Access to Work portion of the budget and to seek approvals to enable the programme to proceed.

RESOLVED:

- (1) that the works as detailed in Appendix 1 of the report including the allocation of £20,000 to Access to Work and a sum of £11,757 in the event that urgent works are required in the light of complaints received, be approved;
- (2) that the Corporate Director of Resources, Access and Diversity be authorised to order the works;
- (3) that the Corporate Director of Resources, Access and Diversity be authorised to seek all necessary consents;
- (4) that the Corporate Director of Resources, Access and Diversity's Head of Legal Services be authorised to sign any contracts (if necessary) to allow the work to proceed;
- (5) that the Corporate Director of Resources, Access and Diversity be authorised to approve further works during the year as necessary or reassess or amend the programme, in consultation with the Lead Member for Property and Regeneration;
- (6) that the duties outlined at Appendix 3 that the Council will have under Part 3 of the Disability Discrimination Act 1995

be noted.

30. PERFORMING ARTS AND CONVENTION CENTRE (PACC) - PROPERTY APPROPRIATION TO SUPPORT IMPLEMENTATION OF PLANNING CONSENT AS ENVISAGED BY CABINET DECISION OF 2ND MARCH 2004

Councillor Scuplak submitted a report seeking the Cabinet's approval to appropriate land forming the site of the Performing Arts and Conference Centre (PACC) under s.237 of the Town and County Planning Act 1990, for the purposes of implementation of the planning consent for the PACC and to invoke the authorisation contained in Section 237 of the act to construct the PACC in accordance with the planning consent notwithstanding that which will interfere with adverse property rights.

RESOLVED:

- (1) that the land forming the site of the Performing Arts and Convention Centre as described in the Report under section 122 of the Local Government Act, 1972 for planning purposes under section 232(1)(a) and (b) of the Town and Country Planning Act, 1990 be appropriated from the Corporate Estate and Traffic functions (the functions are respectively held under the following portfolios of Cabinet: Strategic Planning and Regeneration; Finance and Resources and Highways and Transportation); and the authorisation contained in section 237 of the 1990 Act be invoked to construct the Performing Arts and Conference Centre in accordance with the Consent notwithstanding the interference thereby caused with such adverse property rights as there may be and that payment of compensation with thereby become due;
- (2) that the Corporate Director of Resources, Access and Diversity in consultation with the Corporate Director of Regeneration and Culture be authorised and requested to support the negotiation process with property owners adversely affected; to conclude with them satisfactory or appropriate compensation arrangements under section 237(4) of the Act and other relevant legislation, and to enter into Agreements with them recording the payment thereof; or to receive and advise upon their claims to the appropriate Tribunal or other body competent to order the payment and fix the amount of, compensation; and
- (3) that the decision be considered urgent because of the need to move quickly to the construction phase, so as to meet the timetable required by funders; and that Cabinet procedure rule 12.d (that no call in may be made if the Cabinet decides when making a decision that the matter is urgent for specified reasons) shall apply.

31. 2003/04 CAPITAL PROGRAMME MONITORING - OUTTURN

Councillor Coley submitted a report showing the outturn position of the Council's 2003/2004 capital programme.

Members of the Cabinet enquired whether it was possible in future Capital Programme monitoring reports, to include details of what the source of the funding was for Capital projects. The Chief Finance Officer undertook to include this information in future reports.

RESOLVED:

that the following be noted;

- (1) the outturn for 2003/04 of £65.3 million;
- (2) the outturn for 2003/04, excluding those schemes with a significant 3rd party involvement, of 97% of the period 4 forecast;
- (3) additional slippage of £4 million since period 10;
- (4) expenditure brought forward of £3.2 million since period 10;
- (5) the progress on specific schemes;
- (6) outcomes relating to the Integrated Housing IT system;
- (7) the level of achievement of capital receipts; and
- (8) the current position on the Payback fund.

32. THE EMPTY HOMES STRATEGY - COMPULSORY PURCHASE OF VARIOUS HOUSES 2004 (NO.12)

Councillor Blackmore submitted a report seeking approval to make five Compulsory Purchase Orders under the City Council's Empty Homes Strategy on five long term privately owned vacant properties in areas of priority housing need.

RESOLVED:

- (1) that the following land and dwellings outlined in the appendices to the report be made the subject of Compulsory Purchase Orders (CPOs) under sections 9 and 17 of the Housing Act 1985 and the Acquisition of Land Act 1981, in order to secure their improvement, proper management and occupation as residential dwellings:-

22 Windemere Street

33 Wilmington Road
38 Strathmore Avenue
35 Oakthorpe Avenue
20 Hardy's Avenue; and

- (2) that the necessary capital expenditure be authorised from the Empty Homes Strategy in line with the agreed Capital Programme.

33. USE OF COMPULSORY PURCHASE POWERS - SHIRES WEST

Councillor Scuplak submitted a report seeking approval to make small amendments to the area to be included in the Compulsory Purchase Order for the Shires West extension, as reported and approved by Cabinet on 26 April 2004.

RESOLVED:

- (1) that the resolution of Cabinet at its meeting on 26 April 2004 be reaffirmed with the exception of the first seven lines of the resolution which are replaced by the following seven lines:-

“the City Council to declare and subsequently make a Compulsory Purchase Order pursuant to section 226 (1)(a) and Section 226 (3) (a) of the Town & Country Planning Act 1990 for the purpose of acquiring the land and any necessary temporary rights as identified in the revised plan attached to this report, which is carrying out the development, redevelopment or improvement of the land in order to secure the successful carrying out of the Shires West Scheme. The formal making of the Order will be subject to:”

- (2) that the decision is considered urgent because the project programme is very tight to secure Autumn 2007 opening of the completed scheme; and that Cabinet procedure rule 12.d (that no call in may be made if the Cabinet decides when making a decision that the matter is urgent for specified reasons) shall apply.

34. ADDITIONAL PROPERTY RESOURCES - AUTHORISATION OF EXPENDITURE

Councillor Scuplak submitted a report seeking approval for expenditure of the additional resources for premises as approved in the budget.

Councillor Scuplak moved a recommendation in addition to those contained in the report which requested Officers to look at additional priorities for spending DfES money alongside the existing mobile classroom replacement programme.

RESOLVED:

- (1) that the proposed indicative three-year spending programme as set out in Appendix 2, be approved;
- (2) that the proposed maintenance programme for 2004/5 as set out in section 5 and in Appendix 3 and 4 of the report, be approved;
- (3) that the Corporate Director Resources Access and Diversity, in consultation with the Cabinet Link for Property, be authorised to agree to any significant variations in the spending profile;
- (4) that the proposed initial pilot programme of Property Health Surveys and estimated expenditure and release of £200,000, be approved;
- (5) that in the light of the consultation feedback option 1 in relation to the £1.5m on going funding, and option 5 in relation to combining the new one off CMF funds and LEA/DfES funding, that this be approved;
- (6) that use of part of the additional resources for premises to facilitate the Property Efficiency Review, be approved; and
- (7) that in relation to the contribution from DfES funding, Officers undertake an exercise to review the programme for mobile classroom replacements and prioritise £300,000 of these alongside the maintenance programme for each of the next three years and a revised programme based on the relative priorities to then be drawn up.

35. PRIVATE SESSION

The Chair agreed to receive a representation from the Staff Side Trades Unions preceding the Cabinet discussion on the Building Cleaning Contract report.

RESOLVED:

that the press and public be excluded during consideration of the following report in accordance with the provisions of Section 100A(4) of the Local Government Act 1972, as amended, because it involves the likely disclosure of 'exempt' information, as defined in the Paragraphs detailed below of Part 1 of Schedule 12A of the Act.

Paragraph 9

Any terms proposed or to be proposed by or to the authority in the course of negotiations for a contract for the acquisition or disposal of property or the supply of goods or services.

Paragraph 7

Information relating to the financial or business affairs of any particular person (other than the authority).

AWARD OF CONTRACT FOR THE PROVISION OF BUILDING CLEANING SERVICES

36. AWARD OF CONTRACT FOR THE PROVISION OF BUILDING CLEANING SERVICES

Councillor Ramsdale submitted a report to advise of the outcome of the tendering process for the provision of the Council's building cleaning services and make a recommendation on the award of a contract for these services.

Written submissions from both Unison and the GMB were circulated to Members of the Cabinet.

Mark Challenor, Unison Convenor addressed the Cabinet and the points he raised are summarised as follows:-

- The Trade Unions had particular concerns about the process that was followed including the level of consultation and union involvement.
- The Council never intended to tender for the contract, but only did so under pressure from the unions.
- There was no continuity in staff running the tender process.
- It was felt ESPO didn't have sufficient experience to be involved such a complex contract.
- The Trade Unions weren't consulted on the final tender document and there were concerns that it wasn't a sufficiently robust document.
- Concerns were expressed that so many of the initial tenderers were removed from the process.
- It was felt the main competitor for the contract didn't take in to account Workforce Matters in their tender submission.
- It was felt the resources proposed to meet the terms of the contract by the main competitor were not sufficient and there could be future financial and industrial relations problems for the Council.
- Concerns were expressed about the track record of a company in the same group as one of the short listed bidders.
- Concerns were expressed about the statement made by the main competitor for the contract that the price could be altered if it felt the Council had provided misleading information.

Members of the Cabinet then sought clarification from Mr. Challenor on a number of matters raised in his submission. Members of the Cabinet in particular queried the particular concerns of Trade Unions in relation to TUPE and Workforce Matters. Mr Challenor stated that the main concern was the potential for the new contract holder to reorganise the working arrangements of transferred staff which could include the reduction of hours, which the new

contract holder was entitled to do if it was due to economic or technical reasons.

The Chair thanked Mr. Challenor for his contribution. Mr Challenor then left the meeting.

The Service Director, Community Protection and Public Wellbeing then responded to a number of the points that were raised. He was generally concerned at the criticisms of the project team; he felt these criticisms were unjustified and misrepresented. He confirmed that the Code of Practice on Workforce Matters had been incorporated into the contract. He acknowledged that, under the legislation, changes to staff terms and conditions could be made as a result of a reorganisation undertaken for economic, organisational or technical reasons. The transfer would be on the basis that the transferred staff would transfer on their current terms and conditions.

He also presented to Cabinet a letter from the Director of ESPO, which stated that “ESPO are confident that the above tender exercise has been conducted in a professional manner and in full compliance with the OJEU Directives.”

He stated that he was concerned about suggestions that there had been poor consultation and misleading information supplied to the Trade Unions. He emphasised that whilst they had obviously not been involved in every meeting, they had been involved from the outset and at key stages of the project, though they had chosen to withdraw from the process on more than one occasion.

He confirmed that the project team had carefully considered Trade Union concerns about under-resourcing, but the team was satisfied that adequate resources had been allocated by ISS to meet the terms of the contract. He also responded to the point made by the Trade Unions about the misleading information leading to a change of costs.

Members of the Cabinet then considered all that they had heard. They were reassured by the responses they received to their queries and that the concerns raised by the Trade Unions had been fully addressed as part of the tender process.

Councillor Ramsdale then summed up by noting that there was a considerable saving to be made for the Council by awarding the contract to ISS. He commented that he was satisfied that ISS could meet the Terms and Conditions of the contract and that they could meet the requirements of protecting the Terms and Conditions of transferred Council staff. He therefore recommended the contract be awarded to ISS.

On a related matter Members of the Cabinet commented that there should be a mechanism put in place for the future so that the packaging of contracts ensured that the Council attracted a wider range of viable tenders to improve the value for money of the Council. The Town Clerk undertook to address this issue in the procurement efficiency review.

The Service Director (Community Protection and Wellbeing) was also asked to respond in writing to the written submissions provided by UNISON and the GMB.

RESOLVED:

- (1) that a four-year contract be awarded for the supply of building cleaning services to ISS Facility Services; and
- (2) that the Head of Legal Services be authorised to enter into a contract for the supply of those services.

37. CLOSE OF MEETING

The meeting closed at 6.25pm.

