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MINUTES OF A MEETING OF THE GOVERNANCE COMMITTEE Committee Room 3A - Town Hall 26 May 2016 (7.30 - 8.45 pm)

Present:

COUNCILLORS

Conservative Group	Meg Davis (Chairman), Melvin Wallace (Vice-Chair), Osman Dervish, Roger Ramsey and Damian White
Residents' Group	Ray Morgon, Barbara Matthews and Barry Mugglestone
East Havering Residents' Group	Clarence Barrett and Darren Wise
UKIP Group	Lawrence Webb
Independent Residents Group	David Durant
Labour Group	Keith Darvill

The Chairman reminded Members of the action to be taken in an emergency.

1 DISCLOSURE OF INTEREST

Councillor Keith Darvill disclosed an interest in item 7, Appointments to Other Organisations as he was the Chairman of Governors of the Havering Sixth Form College.

2 MINUTES

The minutes of the meeting held on 9 March 2016 were agreed as a correct record and signed by the Chairman.

3 CONTRACT PROCEDURE RULES AND PROCUREMENT STRATEGY

Officers had submitted a report seeking the Governance's Committee's approval to a revised set of Contract Procedure Rules and an updated Procurement Strategy. The current Contract procedure Rules had been agreed in 2012 and so were overdue for revision whilst the Procurement Strategy had been agreed in 2011 and had expired in 2014. In introducing

the report officers apologised that the wrong Glossary of terms had been appended to the Contract Procedure Rules.

The recent changes in the European Union thresholds and the introduction of the Public Contract Regulations in 2015 had also been reflected in the revised documents.

Officers maintained that the new Contract procedure Rules and procurement Strategy would achieve significant savings through improved procurement management. Collaboration was at the very heart of this as officers had sought to maximise the efficiencies identified through oneSource and through work with other councils and public bodies.

Officers had highlighted the following key areas of change.

- Procurement Strategy
 - **Value for money;** through efficient contracts that deliver high quality goods and services at a competitive price;
 - Using the Council's purchasing power to boost Havering's economy and long term economic sustainability, through maximising the opportunities for local businesses to provide services and helping ensure that where possible contractors actively seek to employ and train local residents;
 - **Community benefit;** to ensure opportunities for local economic, social and environmental benefits are achieved through our contracts to meet local resident's priorities. The specification for our contracts can play a key part in helping to ensure contractors are fully contributing to delivering our vision for Havering;
 - **Innovation and partnerships;** to ensure in the right circumstances joint working can deliver efficient, cost effective, risk-sharing solutions and new and better models of service delivery. We are working to develop different ways of providing and buying goods and services so that we can continue to improve value for money while not reducing quality. Local authorities often contain many different departments or business units which have their own purchasing challenges. It can be difficult to ensure that all buyers purchase the best products and procure them at the best price. In the retail sector, innovators like Amazon, set up digital marketplaces that help buyers to access catalogues of products. In these systems, suppliers openly compete against each other in a controlled environment, which was why we are pioneers in helping to develop such a solution and integrating it into other local authorities.

(b) Contract Procedure Rules

- The introduction of e-tendering (CPR 2)
- Introduction of the pilot Checkpoint process for all procurements above EU Threshold (CPR 8)
- The publication of opportunities on Contracts Finder (CPR 9.10)
- An increased emphasis on e-auctions to secure additional savings (CPR 9.11 – 9.12)
- The use of *Constructionline* (CPR 13), collaborations and joint commercial enterprise and public sector spin-outs (CPR 23)
- The introduction of the Social Value Act 2012 (CPR 15)
- 70:30 cost:quality considerations in awarding contracts (CPR 18.4)
- An increased focus on Contract Management (CPR 21)
- The introduction of European 'State Aid' Rules (CPR 26)
- The introduction of the Public Contracts Regulations 2015

Changes had been made to the CPRs and Procurement Strategy to ensure compliance with the Public Contract Regulations 2015 and with the new EU Thresholds for Supply, Services and Works.

Officers had pointed to the savings made by the London Borough of Newham through the use of e-auctions. £4.5m of savings had been delivered in the past year.

In answer to questions from the Committee officers ran through the contract monitoring procedure to give the committee an assurance that best practice was followed. It was explained that under EU rules Councils could not carry out pre-contract checks for contract below £164k. Officers still carried out due diligence checks to protect the Council.

The Committee had questioned the change from 60:40 split to 70:30 split on cost:quality seeking an assurance that the Council would still receive the quality it desired in services and goods provided. Officers gave an assurance that quality would not drop as we would only get bids from suppliers who wish to deliver the level of quality desired.

Officers advised that at Newham the Checkpoint system was used very effectively and once fully introduced in Havering the full benefits would become available. In Newham it allowed members to check on the level of savings produced by new contracts.

Concerns were raised about the Council's inability to control the use of sub-Contractors. Officers had explained by good and strong contract management the problems previously experienced could be eliminated.

The Committee questioned why paragraph 1.6 had not been updated to take account of the Governance Committee's decisions of 13 January 2016. The Chairman called for a vote on whether to accept the recommendations

of the report as amended.

In favour of the motion to accept the recommendations:

Councillors Meg Davis, Melvin Wallace, Roger Ramsey, Damian White, Osman Dervish, Clarence Barrett, Darren Wise and Keith Darvill

Against the motion: Councillor David Durant

Abstained: Councillors Ray Morgon, Barbara Matthews, Barry Mugglestone and Lawrence Webb

The motion was CARRIED by eight votes to one with four abstentions.

The Committee **resolved to recommend to Council** that:

1. The Contract Procedure Rules set out in Appendix A to the report and amended to take account of the Committee's amendment's, be adopted with immediate effect and authorise the Monitoring Officer to make any such changes as may be necessary to the Council Constitution;
2. The Procurement Strategy set out in Appendix B to the report be accepted.

4 EXCLUSION OF PRIOR APPROVALS FROM COUNCILLOR CALL-IN PROCESS

The Committee had received a report regarding the manner in which prior approval submissions were dealt with. Unlike planning application there was a strict deadline for the determination of prior approval applications and the default position was that if a decision was not given within the deadline the application would be approved regardless of the Council's intended decision.

Planning legislation currently allowed for various prior approval submissions to be made. In Havering the following were the most common:

- a) Larger Home Extensions (42 days, 6 weeks) – 285 received in previous year;
- b) Certain changes of use (56 days, 8 weeks) – 35 received in previous year;
- c) Demolition of buildings (28 days, 4 weeks) – 7 received in previous week;
- d) Telecommunications development (56 days, 8 weeks) – 34 received in previous year.

Committee Procedure Rule 13e of the Council's Constitution set out the framework and circumstances under which a Councillor could call-in an application for determination at the Regulatory Services Committee. Constitutionally a Councillor was able to call-in any application.

Given the restricted time scales and the consequences of failure to make a decision officers had historically declined councillors requests to call-in prior approval applications. This was because it would be very difficult to thoroughly consider a submission, prepare a report and present it to Committee, which meets every three weeks within the restricted timetables. The only exception was if an applicant formally agreed to extend the time period as permitted by paragraph 7 of the Town and Country Planning (General Permitted Development (England) Order 2015 (as amended).

A councillor had recently tried to call-in a prior approval application for a telecommunications installation and had queried the constitutional basis for their request being declined. Officers were seeking a decision from the Committee to formalise current practice.

The Committee had asked if prior approval applications were included on the list of planning applications circulated weekly. Officers advised that prior approval applications were not currently included on the list.

The Committee had concerns that officers had been operating this system without member approval. These actions were preventing councillors of the opportunity to represent local residents concerns. However, councillors still had the opportunity to make representations to the planning officer dealing with the application.

The Committee did not wish to place the Council's reputation at risk by seeing a number of prior approval application receiving approval by default because of delays but wished to ensure that the Council were following best practice.

The Chairman called for a vote on whether to accept the recommendations set out in the report as amended.

In favour of the motion to accept the recommendations

Councillors: Meg Davis, Melvin Wallace, Roger Ramsey, Damian White, Osman Dervish, Clarence Barrett, Darren Wise and Keith Darvill

Against the motion: Councillors Ray Morgon, Barbara Matthews, Barry Mugglestone, David Durant and Lawrence Webb

The motion was CARRIED by eight votes to five.

The Committee **agreed** to authorise officers to decline requests for call-in of prior approval applications by councillors for two months to allow officers to submit a further report provided that all prior approval applications were included on the weekly list of planning applications circulated to councillors. The further report will include information on the practice followed by other councils in dealing with prior approval applications and advice from the Planning Advisory Service. It should also include a step by step procedure for the way all four of the types of prior approval applications are processed.

The opportunity should be taken to review the council's processes for considering planning applications given the number of occasions councillors have been advised by residents that they have not been notified of a planning application.

5 **APPOINTMENTS TO OTHER ORGANISATIONS, 2016/17**

The Committee was invited to make recommendations to the various outside bodies to which it was affiliated. Where appropriate, each Group was invited to nominate a representative for the various positions.

With the exception of one appointment, all appointments were made without division, all other positions were filled and those Members appointed are shown on the appendix to this Minute.

The Chairman called for a vote on whether Councillor Clarence Barrett or Councillor David Durant should represent the Council at the Annual Assembly of the Local Government Information Unit.

In favour of Councillor Barrett:

Councillors: Meg Davis, Melvin Wallace, Roger Ramsey, Damian White, Osman Dervish, Clarence Barrett, Darren Wise and Keith Darvill

In favour of Councillor Durant:

Councillors David Durant and Lawrence Webb

Councillors Ray Morgan, Barbara Matthews and Barry Mugglestone abstained.

Councillor Clarence Barrett was appointed as the Council's representative to attend the Annual Assembly of the Local Government Information Unit.

The Committee:

- 1 (a) determined appointments to the organisations referred to in this minute for the period until the meeting that deals with appointments for the municipal year, 2016/17 (or such other period as may be relevant in any specific case).
(b) **RECOMMENDED** to the Leader that the appointments be made.
- 2 Gave authority that, where the Council's representative (or any deputy or alternative representative where applicable) was unable to attend a particular meeting and the constitutional arrangements of the body in question so permitted, that representative may mandate the Chair of the meeting to exercise a proxy vote.
- 3 Noted that the Council's voting rights at the General Assembly of the Local Government Association be exercised by Councillor Roger Ramsey (4 votes) and Councillor Clarence Barrett (1 vote) (or their respective nominees in the event either was unable to vote in person).

6 **MONITORING OFFICER NO 08 AMENDMENTS TO THE CONSTITUTION**

The Committee was invited to consider a report concerning amendments made by the Monitoring Officer to the Constitution.

Following consideration the Committee **NOTED** the report.

Chairman

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APPOINTMENTS RECOMMENDED BY THE COUNCIL TO OTHER ORGANISATIONS, 2016/17

ORGANISATION AND NUMBER OF APPOINTEES	EXECUTIVE MEMBER APPOINTMENTS	
CEME (Centre for Engineering & Manufacturing Excellence) - 1	Tom Dobrashian – Head of Economic Development	
East London Waste Authority - 2	Councillor Steven Kelly and Cabinet Member for Environment	
East London Waste Authority Board (officer)	Steve Moore- Head of Streetcare (Interim)	
East and South East London Transport Partnership	Leader of the Council	
Greater London Enterprise Limited -1	Leader of the Council	
IESE Ltd	Councillor Michael White	
London Councils (Leaders' Committee)	Representative (1): Leader of the Council Deputy: (1) Deputy Leader of the Council	

Appointments to other organisations, 2016/17

Transport & Environment Committee

Representative (1): Deputy Cabinet Member assisting Cabinet Member for Environment, Regulatory Services and Community Safety

Deputies (up to 4): 1. Cabinet Member for Environment, Regulatory Services and Community Safety 2. Cabinet Member for Culture & Community Engagement

Grants Committee

Representative (1): Cabinet Member for Culture & Community Engagement

Deputy (up to 4): 1. Cabinet Member for Environment, Regulatory Services and Community Safety 2. Cabinet Member for Housing

Pensions CIV (Sectorial Joint Committee)

Representative (1): Chairman of Pensions Committee

Deputy (up to 2): Cabinet Member for Financial Management, Transformation and IT Client Side

Greater London Employment Forum

Representative (1): Cabinet Member for Environment, Regulatory Services and Community Safety

Deputy Representative (1): Cabinet Member for Culture & Community Engagement

Appointments to other organisations, 2016/17
London Riverside (BID) Ltd

Representative (1): Leader of the Council

Appointed
through a Non-
Key Decision
16/41 on April
21 2016

Thames Gateway Strategic Group

Leader of the Council and Cabinet Member for Environment,
Regulatory Services and Community Safety

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ORGANISATION AND NUMBER OF APPOINTEES	MEMBER APPOINTED (Non Executive Appointments)	COMMENTS AND NOTES
Adoption & Permanency Panel-1	Councillor Wendy Brice Thompson	
Tapestry (formerly Age Concern : Havering) - 2	Councillor June Alexander and Councillor Wendy Brice-Thompson	
Coopers Company & Coborn Educational Foundation	Councillor Linda Van den Hende	
Damyns Hall Aerodrome Joint Consultative Committee-2	Councillor Linda Van den Hende and Councillor David Durant	
Essex Wildlife Trust (Bedfords Park Management Committee)	Councillor Ray Best	
Fostering Panel-1	Councillor Gillian Ford	
Governor Panel - 3	Cabinet Member for Children & Learning, Councillor Gillian Ford Councillor Julie Wilkes	
Havering Arts Council - 5	Cabinet Member for Culture & Community Engagement, Councillor Joshua Chapman, Councillor John Mylod Councillor Linda Hawthorn and Councillor Alex Donald	

Appointments to other Organisations 2016/2017

ORGANISATION AND NUMBER OF APPOINTEES	MEMBER APPOINTED (Non Executive Appointments)	COMMENTS AND NOTES
Havering Association for People with Disabilities - 2	Councillor Barbara Matthews and Councillor Philippa Crowder	
Havering Bands and Majorettes Association- Executive Committee - 3	Councillor Osman Dervish, Councillor Reg Whitney and Councillor Darren Wise	
Havering & Brentwood Bereavement Service - 1	Councillor Julie Wilkes	
Havering Chamber of Commerce and Industry	Councillor Jason Frost	
Havering Children's Trust	Cabinet Member for Children & Learning	
Havering Community Safety Partnership – 2	Cabinet Member for Environment, Regulatory Services and Community Safety and the Chief Executive	
Havering Joint Forum - 6	Leader of the Council, Deputy Leader of the Council, Leader of the Opposition Group, Councillor Osman Dervish, Councillor Linda Van den Hende and Councillor Lawrence Webb.	

Appointments to other Organisations 2016/2017

ORGANISATION AND NUMBER OF APPOINTEES	MEMBER APPOINTED (Non Executive Appointments)	COMMENTS AND NOTES
Havering Sports Council - 5	Cabinet Member for Culture & Community Engagement, Councillor Joshua Chapman, Councillor Jody Ganly, Councillor Linda Hawthorn and Councillor Lawrence Webb	
Havering Sixth Form College - 2	Cabinet Member for Children & Learning and Councillor Wendy Brice Thompson (till September 2016)	
Havering Theatre Trust - 3	Councillor Damian White Councillor Gillian Ford and Councillor Patricia Rumble	
Hornchurch Housing Trust (Nomination Trustees) - 6	Ms Pamela Freer and Councillor John Wood (until February 2019) Mr Eric Munday and Councillor Carol Smith (until February 2017) Mr Ivor Cameron and Mrs Peggy Munday (until February 2018)	Ms Freer and Cllr Wood's appointments agreed at Governance on 11.3.15 Cllr Smith's appointment agreed at Governance On 10.09.15

ORGANISATION AND NUMBER OF APPOINTEES	MEMBER APPOINTED (Non Executive Appointments)	COMMENTS AND NOTES
Joint O&S East London Solutions	Councillor Frederick Thompson, Deputies: Councillor Julie Wilkes, Councillor Keith Roberts and Councillor Ian de Wulverton	This organisation is no longer in operation as of May 2016.
Local Government Association General Assembly - 4	Leader of the Council, Leader of the Opposition Councillor Michael White and Councillor Clarence Barrett	
Local Government Information Unit	Councillor Clarence Barrett	
London Home & Water Safety Council -1	Cabinet Member for Environment, Regulatory Services and Community Safety	
London Road Safety Council - 2	Deputy Cabinet Member assisting Cabinet Member for Environment, Regulatory Services and Community Safety and Councillor John Mylod	
London Youth Games-1	Cabinet Member for Culture & Community Engagement	
Lucas Children's Play Charity Nominative Trustees – 2	Cabinet Member for Children & Learning and Councillor Gillian Ford (appointed till November 2019)	Agreed at Governance on 11.11.15

ORGANISATION AND NUMBER OF APPOINTEES	MEMBER APPOINTED (Non Executive Appointments)	COMMENTS AND NOTES
North East London NHS Foundation Trust – 1	Head of Adult Services	
Orchard Village Neighbourhood Management Board - 4	Cabinet Member for Housing, Deputy Cabinet Member assisting Cabinet Member for Environment, Regulatory Services and Community Safety Councillor Jeffrey Tucker and Councillor Graham Williamson	
Poyntz (a.k.a. Richard Poyntz's) and other charities	Councillor June Alexander(until March 2020) Mr David Livermore (until March 2020) and Rev. Michael Sparrow (until March 2020)	Appointed by Governance on 9 March 2016
Relate North East - 2	Councillor Wendy Brice-Thompson and Councillor Jody Ganly	
Reserve Forces & Cadets Association -1	Councillor Barry Mugglestone	
Romford Town Management Partnership	Councillor Robert Benham Councillor Osman Dervish	Appointed by Governance on 9 March 2016
<u>Romford Combined Charity Nominative Trustees</u> – 2	Councillor Joshua Chapman (until 3.11.16) and Councillor Wendy Brice Thompson and Councillor Dilip Patel (until 3.11.18) Councillor Melvin Wallace (until 3.11.19)	Cllr Wallace's appointment agreed by Governance on 9 March 2016
Safer Neighbourhood Board	Cabinet Member for Environment Regulatory Services and Community Safety	

Appointments to other Organisations 2016/2017

ORGANISATION AND NUMBER OF APPOINTEES	MEMBER APPOINTED (Non Executive Appointments)	COMMENTS AND NOTES
Standing Advisory Council for Religious Education (SACRE) - 5	Councillor Joshua Chapman , Councillor Jason Frost, Councillor Gillian Ford, Councillor Dilip Patel and Councillor Stephanie Nunn	
Tenant Management Organisations - 3	BETRA (Gooshays) – Councillor David Johnson DELTA (Squirrels Heath)- Councillor Damian White PETRA (St Andrews’) – Councillor John Mylod	
Upminster Windmill Preservation Trust – 1	Councillor Linda Hawthorn	
Veolia ES Cleanaway Havering Riverside Trust - 1	Councillor Robert Benham	