

## Cabinet

Meeting held on Monday, 1 March 2021 at 6.30 pm. This meeting was held remotely

### MINUTES

**Present:** Councillor Hamida Ali, Stuart King, Muhammad Ali, Jane Avis, Janet Campbell, Alisa Flemming, Oliver Lewis, Manju Shahul-Hameed, David Wood and Callton Young

**Also Present:** Councillor Jason Cummings, Lynne Hale, Maria Gatland, Simon Hoar, Yvette Hopley, Vidhi Mohan, Helen Redfern, Scott Roche, Andy Stranack, Gareth Streeter, Louisa Woodley, Sean Fitzsimons, Robert Ward, Clive Fraser and Mario Creatura

**Apologies:** Councillor Jason Perry

**Officers:** Doutimi Aseh (Interim Director of Law & Governance)  
Chris Buss (Interim Director of Finance, Investment & Risk and Section 151 Officer)  
Nigel Cook (Head of Pensions & Treasury)  
Matthew Davis (Deputy Section 151 Officer)  
Asmat Hussain (Interim Executive Director Resources)  
Elaine Jackson (Interim Assistant Chief Executive)  
Debbie Jones (Interim Executive Director Children, Families & Education)  
Katherine Kerswell (Interim Chief Executive)  
Sue Moorman (Director of Human Resources)  
Yvonne Murray (Director of Housing Assessment & Solutions)  
Nish Popat (Interim Head of Corporate Finance)  
Rachel Soni (Director of Commissioning and Procurement)

### PART A

29/21 **Minutes of previous meetings**

The part A minutes of the Cabinet meetings held on 25 November 2020 and 14 December 2020 were agreed.

30/21 **Disclosure of Interests**

There were none.

31/21 **Urgent Business (If any)**

There were no items of urgent business.

32/21 **Budget and Council Tax 2021/22**

33/21 **Croydon's General Fund & HRA Budget 2021/22 to 2023/24**

The Leader of the Council (Councillor Hamida Ali) informed Members that this item had been deferred and an updated report would be considered at an additional meeting of Cabinet on Monday 8 March 2021.

34/21 **Financial Performance Report - Quarter 3**

The Cabinet Member for Croydon Renewal (Councillor Stuart King) noted that the paper reported that there was a £64.7 million overspend by quarter 3 which was a concerning, but accurate, reflection despite the considerable efforts which had been made to improve management of the council's finances. In addition to the forecast overspend, the Cabinet Member highlighted that £31.8 million of risks had been identified which could cause the total overspend to increase to £96.5 million.

It was noted that the report detailed movement between the quarter 2 and quarter 3 reports which had caused a worsening in position by £38 million as a result of corporate items and £14 million in departmental changes. The Cabinet Member, however, highlighted that £15 million of corporate items did include £15 million contribution to general reserves and that both children's and adults departmental positions remained effectively unchanged between the two reporting periods.

The Cabinet Member stated that the changes within the Place department had arisen principally from over £4 million reduction in parking income associated with the lockdown and £2.7 million from the delay in receiving a decision from the Secretary of State on the council's Selective Licensing Scheme. The proposed closure of Virgo Fidelis and St Andrews schools, it was highlighted, had also had a combined impact of £5 million on the council.

It was noted by the Cabinet Member that considerable work was underway to actively manage the in-year situation; including £27.9 million of savings which were being delivered. Furthermore, the impact of the Spend Control Panel, as a result of the Section 114 Notice, was also highlighted by the Cabinet Member. In addition, it was noted that significant amendments to the capital programme of £86 million had been made which would help reduce in-year costs.

The Cabinet Member concluded that there remained a great deal of uncertainty in terms of the in-year position and the following year's position and the council continued to await the outcome of the Ministry of Housing, Communities & Local Government (MHCLG) decision on the council's request for a capitalisation direction.

The Cabinet Member for Homes & Gateway Services (Councillor Jane Avis) noted that the council had applied for the Selective Licensing

Scheme in summer 2020 as the council had felt it was important to ensure privately rent accommodation in Croydon met the required standard, but that a decision had not yet been received. In response, the Cabinet Member for Croydon Renewal reflected that the Scheme was an important tool for the council to protect renters across the borough but that the government had not yet granted permission for the new scheme. It was felt that the government had been focussed on responding to the Covid-19 pandemic and that MHCLG had not been able to direct resources to consider applications. However, due to this delay it was sensible to reflect the financial impact within the report.

The Cabinet Member for Sustainable Croydon (Councillor Muhammad Ali) noted that council tax collection had dropped by 2% and business rates by 7% and queried what projections had been put in place in terms of proposals for savings or growth. The Interim Director of Finance, Investment & Risk (Chris Buss) advised that in terms of future council tax collection rates the council had taken a prudent assessment for the following year which would form part of the budget report due to be considered by Cabinet the following week. In terms of business rates collections, the Interim Director advised that officers had guarded against optimism bias due to the risk of not achieving those levels; as such the council had taken a prudent approach to future collections.

The Cabinet Member for Culture & Regeneration (Councillor Oliver Lewis) noted that many residents would be surprised that the council was required to absorb the deficits of schools which were closed which had accumulated in £5 million in costs to the council. In terms of this, the Cabinet Member requested assurance that there were no further risks of schools closing and deficits being passed to the local authority. The Cabinet Member for Children, Young People & Learning (Councillor Alisa Flemming) confirmed that the council was working closely with Virgo Fidelis to proactively manage the school's deficit in order to minimise the final amount. In terms of the wider context, the Cabinet Member stated the council was monitoring and working more closely with schools to ensure the systems in place to do the monitoring were robust. Discussions were taking place with some schools to ensure deficits did not increase any further.

The Cabinet Member for Children, Young People & Learning noted that there had been an increase in support from government in relation to schools managing their budgets. In terms of the Dedicated Schools Grant funding, the Cabinet Member highlighted that this had increased by £4.8 billion in 2021/22 and £7.1 billion in 2022/23 which would support schools to adequately deliver services within budget.

Clarity was also sought by the Cabinet Member for Culture & Regeneration as to the net cost of the pandemic to the council after taking into account the money provided by the government. In response, the Cabinet Member for Croydon Renewal confirmed that the financial impact of Covid-19 on the council at quarter 3 was in the region of £40 million.

The Cabinet Member for Business Recovery (Councillor Manju Shahul-Hameed) welcomed the support from the Chancellor of Exchequer with the business grants which had been available, but noted the business rates collection had fallen by 7.28% due to the impact of Covid-19. The Cabinet Member queried what the impact of the government announcement of its intention to allow local authorities to spread the 2020/21 collection funds deficit over three years should there be a business rates holiday also. In response, the Interim Director advised that the council would have to wait for an announcement from government as to whether support to businesses would be directly to businesses or via local authorities. It was noted that businesses with a value below £50,000 were receiving full relief and the council were being recompensed. Members were advised that the issue arose when businesses were taking advantage of the opportunity to defer future payments of business rates which was one of the reasons why the council had seen a fall in collections. The balance would arise when the council sought to recover those rates and protect income whilst not forcing a company to go out of business.

The Leader of the Council (Councillor Hamida Ali) noted that within the report there was a contribution to reserves and whilst the overall position was concerning, she noted that it was positive that children's social care spending remained steady whilst still requiring improvement and reductions. It was noted that the work was still to be completed on 2019/20 accounts, but the Leader queried what work remained outstanding and when the accounts may be finalised.

The Interim Director advised that there were a number of issues which remained outstanding which were matters of fact which officers hoped would be resolved shortly, whilst others were matters of accounting opinion. In terms of the latter, the Interim Director noted that these sometimes took longer to resolve. Members were informed that officers would work on resolving the matters of fact quickly and would seek to provide information to the external auditors as to why they felt their view of accounting opinion was correct so as to finalise the accounts as soon as possible. In terms of when the 2019/20 accounts may be finalised, the Interim Director advised that he hoped they would be concluded before summer 2021.

The Cabinet Member for Resources & Financial Governance (Councillor Callton Young) queried whether the Interim Director felt that the Spend Control Panel was effective; especially in relation to the costs for external placements in adult social care and looked after children. In response the Interim Director advised that there would be a lag between implementing control measures and seeing the effect of those measures, but that it was felt that the control were becoming effective and should remain in place even without a Section 114 Notice. To that end, the Interim Director advised that he would recommend as part of the budget report that spend

control measures remained and extra controls be put in place in relation to social care spending.

In terms of children placements, the Interim Director noted that care packages were reviewed by professionals within children's and adult's social care to ensure the care package met the needs of the client and there was a review that the cost of the package was within the overall financial envelope for that services budget. The Executive Director Children, Families & Education (Debbie Jones) provided assurance to Members that there was a series of systems in place to ensure placements were monitored on a weekly basis and that any requests were reviewed by a panel and authorised by a Director. In addition to the systems, Members were advised that a lot of work was ongoing to ensure that costs were monitored and reduced. Members were informed by the Cabinet Member for Families, Health & Social Care (Councillor Janet Campbell) that a similar process was taking place within adult social care and that all expenditure was being monitored and scrutinised closely.

In the context of the discussion relating to the Spend Control Panel, the Leader stated that the Administration would want such measures to be maintained into the following year as it was recognised that such controls were necessary and needed to be embedded into the organisation.

The Shadow Cabinet Member for Finance & Resources (Councillor Jason Cummings) stated that for a number year's quarterly finance reports had shown significant overspends, and whilst it was recognised that the previous year had been challenging for a number of reasons the figures contained within the report were alarming. The Shadow Cabinet Member welcomed the intended significant contribution to reserves and the recognition of Cabinet Members that without the impact of Covid-19 the council would still have been a position of requiring government support in order to balance the budget. He stated that he had queried for a number years at the quarter 3 position what the situation of the departmental overspends would be on quarter 1 of 2021/22. In previous years, he stated, he had received assurances that overspends would not be seen in quarter 1 but that these had appeared. With this in mind, he queried whether the budgets set would be met in 2021/22.

In response, the Leader stressed that an important principle would be not just setting the budget but ensuring there were strong financial controls in place and monitoring throughout the organisation would take place to ensure the council remained on track. It was stated that whilst in future year's assurances had been provided, it was felt that the resolve was very clear and that the Administration was focussed on living within its means. The Cabinet Member for Croydon Renewal stated that he was confident that the council had the right people in place to deliver the required change in addition to the political determination to deliver the budgets.

It was highlighted by the Cabinet Member that there would be different circumstances in place at quarter 1 of 2021/22 including; the end of the

eviction ban and the end of the furlough scheme which would increase demand of council services. It was felt that those risks were inherent given the situation in terms of the pandemic but that the council were seeking to mitigate the risks within budget plans. Whilst plans were in place, the Cabinet Member stressed that it would not be possible to provide absolute confidence that the budget exactly as forecasted but assurances were provided that everyone was working to deliver the budget and to ensure the council lived within its means.

Concerns were raised by the Shadow Cabinet Member for Culture, Leisure & Sport that £32 million of risks could still materialise and should those risks materialise the Shadow Cabinet Member queried how confident the council was in balancing the budget and what measures had been put in place to mitigate against those risks. The Leader noted that the council had been transparent as the risks had been consistently reported. It was further stated by the Cabinet Member for Croydon Renewal that should the council be successful in securing a capitalisation direction then the council would be able to balance the in-year budget. In terms of risks related to Brick by Brick the Cabinet Member noted that a report had been agreed by Cabinet the previous month which set out a clear plan to address the problems faced by the council.

Councillor Jeet Bains stated that there had been large variances at each quarter and queried how confident the Cabinet were that further variances would not occur. The Cabinet Member noted that some of the variances had been discussed earlier in the meeting, such as the reduction in parking income due to the lockdowns and that there were understandable reasons that variances existed. Assurances were provided that due diligence was taking place with Members and officers and it was felt that there was more confidence, following the work which had been undertaken, that the report reflected the likely outcome for the year.

The Shadow Cabinet Member for Families, Health & Social Care (Councillor Yvette Hopley) noted that at table 8 of the report that there were a number of variance in relation to residential care, domiciliary care, nursing care, care costs and direct payments and stated that it was disappointing that the Spend Control Panel had not yet made an impact on overspends. Concerns were raised in relation to care packages as there were around 7,000 residents in receipt of packages with around 2,500 in receipt of specialist complex care, as it was the Shadow Cabinet Member's understanding that complex care packages would be reduced.

It was stated by the Leader that it was felt that the suggestion that the Spend Control Panel had not been effective in stopping spending was inaccurate. Furthermore, she highlighted that in previous years quarterly reports had shown greater variances in social care spending. In response the Cabinet Member for Croydon Renewal also noted that the table referenced by the Shadow Cabinet Member was in relation to variances over £500,000 and those cited were within 25-65 Disability which had shown improvement between quarter 2 and quarter 3.

The Cabinet Member for Families, Health & Social Care highlighted that the council was working to correct its financial position and was awaiting a decision on its request for a capitalisation direction. Concerns were raised that the Shadow Cabinet Member was suggesting that vulnerable residents would be at harm as the council was not putting residents at harm. It was stressed that every placement was being reviewed as it was recognised that the council spent in excess of the London average on placements.

The Leader of the Council delegated authority to the Cabinet to make the following decisions:

**RESOLVED: To**

1. Note the current general fund revenue outturn forecast at the end of the quarter 3 of 2020/21 of £64.7m overspend, after the inclusion of both anticipated and received Covid19 funding from the MHCLG of £41.9m;
2. Note that there are a number of risks totaling £31.8m that could materialise which would see the variance increase further. These are within services due to the current pandemic, potential impact from finalisation of the 2019/20 accounts and in relation to groups structures particularly around interest income from Brick by Brick. Should all of these risks crystallise the total forecast overspend would increase to £96.5m by the year end.
3. Note the details of the monthly Covid19 impact submissions being made to the MHCLG and the details of the financial support that is available to the council in light of Covid19 as outlined in section 6 of the report.
4. Note the work being undertaken by the Spending Control Panel and Finance Review Panel to reduce the overspend this financial year.
5. Note the HRA revenue position of a £0.5m forecast overspend against budget.
6. Note the revised capital outturn projection of £187m for the general fund and HRA is forecast to be an underspend of £117m against the revised budget.

The Cabinet Member for Croydon Renewal (Councillor Stuart King) noted that the report set out the council's treasury management objectives for

the forthcoming year and highlighted that the indicative net borrowing requirement of £95.78 million was considerably lower than the equivalent figure considered the previous year. This, it was noted, was as a result of significant changes to the capital programme which would be considered at the following Cabinet meeting as part of the budget report. It was felt by the Cabinet Member that the reduction in borrowing reflected the Administration's determination to put affordability at the centre of its approach to borrowing.

It was noted by the Cabinet Member that the report reflected the actions which had been taken in response to the recommendations contained within the Report in the Public Interest in relation to the treasury management strategy and the minimum revenue provision statements.

The Shadow Cabinet Member for Finances & Resources (Councillor Jason Cummings) stated that this report was consistent with reports from previous years with continuous increases in council borrowing. The Shadow Cabinet Member stated that there was once again increases in authorised borrowing limit and queried how much longer the council could continue to carry more debt when its ability to finance the debt was decreasing. In response, the Cabinet Member for Resources & Financial Governance (Councillor Callton Young) stated that when the Labour Administration came into power in 2014 the council's debt levels were at £720 million and the increase in debt levels were due to the council's social values. It was stressed that it was understood how the levels had increased, but that what was important was that the Cabinet was committed to control the council's debt and finances overall.

The Cabinet Member for Croydon Renewal further highlighted that the authorised borrowing limit was a limit and not a target. Further reviews of the capital programme was prudent in managing the council's finances. It was noted that the report did not include potential capital receipts which had not yet been received; including from the asset disposal programme, repayment of Brick by Brick loans and the sale of Brick by Brick sites.

It was stressed by the Cabinet Member that the Administration recognised the need to ensure borrowing was affordable and that there was a desire to ensure it was central to the council's financial management going forward.

The Interim Director of Finance, Investment & Risk (Chris Buss) advised Members that cash flow and future borrowing did include the full cost of borrowing in terms of the capitalisation direction, but that the strategy did not include any provision for capital receipts. Members were advised that should anticipated capital receipts be taken into consideration then the value should meet the costs of the capitalisation direction.

Consideration of the overall affordability of any future capital spend would need to be taken into consideration by the council. The Interim Director advised that the budget report due to be considered by Cabinet at the

following meeting would include an additional recommendation in relation to capital spend and ensuring it was affordable in terms of revenue. Every scheme on the capital programme, Members were advised, would be reviewed to ensure it was affordable.

Councillor Millson queried the provisions which had been made within the budget for potential risks that had been identified such as the end of furlough and the eviction ban as it was suggested that should savings not be met then additional borrowing may be required which may impact the Treasury Management Strategy.

In response, the Interim Director of Finance, Investment & Risk advised Members that the risks raised were one of the reason why there was a proposed increase to the council's reserves to meet those risks. It was hoped the reserve levels would be close to £30 million by the start of 2021/22 which would go some way to meet the impact of such risks, should they arise. Furthermore, the Interim Director advised Members that most cash flow impacts were in relation to capital expenditure.

The Shadow Cabinet Member for Clean Green Croydon (Councillor Helen Redfern) stated that despite many expenses being predictable or avoidable with better financial management. However, she noted that the government's finances had also been impacted by the challenging economic environment and queried what provisions were in place to mitigate against potential variations to Public Works Loan Board interest rates. In response, the Interim Director stated the council were not yet aware of any conditions the government may place on the organisation should the capitalisation direction be approved. Should interest rates increase, the Interim Director advised that the council may need to consider whether there was an alternative option on the market but that it was hoped that the council would not undertake a lot more borrowing should it receive all of the anticipated capital receipts which should fund the capitalisation direction.

Councillor Robert Ward queried how the profile of the minimum revenue provision (MRP) was being allowed for. The Head of Pensions & Treasury (Nigel Cook) advised Members that the minimum revenue provision was charged. It was stated that there were two forms of expenditure, that attracted MRP and that did not. For expenditure which attracted MRP, the MRP was charged in the year following the completion of the asset. As such, the Head of Pensions & Treasury stated that for 2019/20 accounts, the MRP charge was a reflection of 2018/19 assets. Members were advised that the figures at table three of the report were officer's best estimate of the previous year and reflected the phasing of completion of capital sales.

The Leader of the Council delegated authority to the Cabinet to make the following decisions:

**RESOLVED:** To recommend to Full Council

1. The Treasury Management Strategy Statement 2021/2022 as set out in this report including the recommendations:

1.1. That the Council takes up borrowing requirements as set out in paragraph 4.12 of the report.

1.2. That for the reasons detailed in paragraph 4.17 of the report, opportunities for debt rescheduling are reviewed throughout the year by the Director of Finance, Investment and Risk (S151 Officer) and that they be given delegated authority, in consultation with the Cabinet Member for Resources & Financial Governance and Deputy Leader (Statutory) and Cabinet Member for Croydon Renewal in conjunction with the Council's independent treasury advisers, to undertake such rescheduling only if revenue savings or additional cost avoidance can be achieved at minimal risk in line with organisational considerations and with regard to the Housing Revenue Account (HRA) as set out in the Council's Medium Term Financial Strategy 2020/2024.

1.3. That delegated authority be given to the Director of Finance, Investment and Risk (S151 Officer), in consultation with the Cabinet Member for Finance and Resources, to make any necessary decisions to protect the Council's financial position in light of market changes or investment risk exposure.

2. That the Council adopts the Annual Investment Strategy as set out in paragraphs 4.19 and 4.20 of the report.

3. That the Authorised Limit (required by Section 3 of the Local Government Act 2003) as set out in paragraph 4.13 of the report and as detailed in Appendix C of the report be as follows:

2021/2022	2022/2023	2023/2024
£2,037.804m	£2,090.958m	£2,134.928m

4. That the Council approve the Prudential Indicators as set out in **Appendix C** of the report.

5. That the Annual Minimum Revenue Provision Policy Statement (required by the Local Authorities (Capital Financing and Accounting) (England) (Amendment) Regulations 2008SI 2008/414) as set out in **Appendix D** of the report be approved.

6. That the Council's authorised counterparty lending list as at 31<sup>st</sup> December 2020 as set out in **Appendix E** of the report and the rating criteria set for inclusion onto this list be approved.

7. That the Council adopts the Capital Strategy Statement set out

below in section 3 of the report.

8. That in the event of the Council receiving a Capitalisation direction that requires amendments to any part of the statements, strategies or policies contained in this report that the statutory Chief finance officer (Section 151 officer) be authorised to implement those changes and to report them to the next meeting of the Cabinet and council.

36/21

### **Investing in our Borough**

The Cabinet Member for Resources & Financial Governance (Councillor Callton Young) informed Members that the contract listed at 5.2.1 of the report related to young people semi-independent accommodation, which was an area subject to spending pressures. The contract framework had been newly agreed and allowed for the establishment of a pool of safe providers which met the standards of service delivery required and allowed for competition amongst providers which would support reducing the cost of placements.

The Leader of the Council delegated authority to the Cabinet to make the following decisions:

**RESOLVED:** To approve the Corporate Cleaning and Security procurement strategy which will result in contract awards for a maximum term of 6 years as set out at agenda item 6a, and section 5.1.1 of the report.

**RESOLVED:** To note

1. The delegated award decisions for contracts over £5,000,000 in value made by the nominated Cabinet Member in consultation with the Cabinet Member for Resources & Financial Governance or, where the nominated Cabinet Member is the Cabinet Member for Resources & Financial Governance in consultation with the Leader since the last meeting of Cabinet, as set out in section 5.2.1 of the report.
2. The contracts between £500,000 and £5,000,000 anticipated to be awarded under delegated authority from the Leader by the nominated Cabinet Member, in consultation with the Cabinet Member for Resources and Financial Governance and with the Leader in certain circumstances, before the next meeting of Cabinet, as set out in section 5.2.2 of the report.
3. The list of delegated award decisions made by the Director of Commissioning and Procurement, between 18/12/2020 – 25/01/2021, as set out in section 5.2.3 of the report.

## **Corporate Cleaning and Security Contracts**

The Cabinet Member for Resources & Financial Governance (Councillor Callton Young) informed Members that Cabinet were being asked to approve a procurement strategy in order to appoint a single provider in respect to corporate cleaning and security services. It was noted that the current contract expired in July 2021.

The Cabinet Member highlighted that the council was under a legal obligation to provide clean safe places for employees and to meet their security needs. The cleaning and security contracts related to a variety of premises including corporate buildings, housing, temporary accommodation and social care related properties.

It was noted that a comprehensive commissioning review, pre-market engagement and spend analysis had been carried out by officers to inform the proposed procurement strategy. Whilst engaging with key stakeholders lessons had been learnt and captured to inform the procurement strategy to include flexibility to future proof the contract. The pricing schedule, it was reported, would allow for appropriate demand led management arrangements to be applied and would enable service to be increased and decreased in accordance with the council's requirements. The Cabinet Member further stated the implementation of a strategic relationship and performance management, in accordance with the council's contract management framework would be strengthened within the proposed contract.

Following the outcome of pre-market engagement it was noted that there was an apparent preference for a lead provider approach to be applied for each lot who would be responsible for the delivery of all respective cleaning and security services as part of the contract for that lot. It was also determined from the findings of the commissioning options review that the adoption of the open procedure of Procurement & Commissioning Regulations would enable small and medium sized enterprises to tender alongside existing providers.

To ensure the council achieved competitive pricing submissions with quality standards applied, the Cabinet Member noted that the report proposed to deviate from the council standards of 60% quality and 40% price ratings. Rather, it was proposed to apply a weighting of 50% quality and 50% price in accordance with regulation 19.

The Shadow Cabinet Member of Culture, Leisure & Sport (Job Share) (Councillor Vidhi Mohan) queried the figure at paragraph 2 of the report in respect of the value of the cleaning contract. It was noted that estimated annual value was reported to be £1 million, however the maximum value was £12 million. Further queries were raised in relation to the security contract which listed to be £1.1 million at a total cost of £7 million over 6 years. Concerns were raised that over the previous years the contacts had cost £7.8 million and £4 million for the cleaning and security contracts

respectively. As such, the Shadow Cabinet Member queried why the value of the contracts had increased and whether this was due to a change in scope.

In response, the Cabinet Member had confirmed that there had been significant changes in scope of the contracts. More properties had been acquired by the contract since 2017 and more recently, there had been an increase in the legal obligation around cleaning of properties. The Director of Commissioning & Procurement (Rachel Soni) advised that the contract figures were due to aggregate values and took into account inflation and London Living Wage increases. It was confirmed that further details on the values would be shared with the Shadow Cabinet Member.

The Cabinet Member for Sustainable Croydon (Councillor Muhammad Ali) stated that it was encouraging that there was a clear intention to use social value as one of the key indicators. Furthermore, he highlighted the need to work with the council's partners and contractors to achieve the goal of being sustainable and carbon neutral by 2030 and welcomed that inclusion within the contract.

The Shadow Cabinet Member for Homes & Gateway Services (Councillor Lynne Hale) queried what specific checks would be made to ensure value for money was achieved and how the council would ensure the contract was flexible to take into account asset disposals. In response, the Cabinet Member confirmed that checks would be taken out to ensure value for money was achieved under the contract and procurement framework. In terms of flexibility of the contract, the Cabinet Member confirmed that the contract would allow for any increased or decreased in the size of council's estate, and thus would be flexible.

The Leader of the Council delegated authority to the Cabinet to make the following decisions:

**RESOLVED:** To approve the procurement strategy detailed in the report for an open procurement process to be undertaken in order to appoint a single provider in respect of:

Lot 1 cleaning services to a maximum budgeted value of £12,040,817.25  
Lot 2 security services to a maximum budgeted value of £7,043,804.40

For a proposed contract term of 4 years with options to extend for two 1 year extension periods (1+1).

38/21

### **Exclusion of the Press and Public**

This item was not required.

39/21

**Minutes of previous meetings**

The part B minutes of the Cabinet meeting held on 25 November 2020 were agreed.

The meeting ended at 7.57 pm