



POLICY AND RESOURCES SCRUTINY COMMITTEE

**MINUTES OF THE MEETING HELD AT PENALLTA HOUSE, YSTRAD MYNACH ON
TUESDAY, 3RD OCTOBER 2017 AT 5.30 P.M.**

PRESENT:

Councillor J. Pritchard - Chair

Councillors:

M. Adams, K. Etheridge, L. Harding, G. Kirby, C.P. Mann, J. Ridgewell, R. Saralis, Mrs M.E. Sargent, J. Taylor, L.G. Whittle

Cabinet Members:

C. Gordon (Corporate Services), Mrs L. Phipps (Homes and Places), Mrs B. Jones (Finance, Performance and Governance)

Together with:

N. Scammell (Acting Director of Corporate Services and Section 151 Officer), L. Lucas (Head of Procurement and Customer Services), J. Jones (Corporate Information Governance Manager), L. Lane (Corporate Solicitor), C. Forbes-Thompson (Interim Head of Democratic Services), R. Barrett (Committee Services Officer)

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Mrs E.M. Aldworth, K. Dawson, Mrs C. Forehead, Miss E. Forehead and Mrs D. Price (Vice Chair).

2. DECLARATIONS OF INTEREST

There were no declarations of interest received at the commencement or during the course of the meeting.

3. MINUTES - 18TH JULY 2017

RESOLVED that the minutes of the Policy and Resources Scrutiny Committee held on 18th July 2017 (minute nos. 1 - 10) be approved as a correct record and signed by the Chair.

4. CALL-IN PROCEDURE

There had been no matters referred to the Scrutiny Committee in accordance with the call-in procedure.

5. REPORT OF THE CABINET MEMBERS

The Scrutiny Committee received verbal reports from Councillors Mrs L. Phipps, C. Gordon and Mrs B. Jones. Questions and comments were invited on the report contents.

Councillor Mrs L. Phipps (Cabinet Member for Homes and Places) updated Members on the recent property improvements and environmental enhancement works at Rowan Place and Hafod Deg Resource Centre, which were viewed by the Cabinet Secretary during his recent visit to Rhymney.

Members were updated regarding the WHQS programme and noted that over 60% of Council homes have benefitted from internal improvement works to date and approximately 25% have had external works completed. The Cabinet Member referred to an internal works contractor (Contract Services) that has recently ceased trading and explained that outstanding works will be completed through contingency measures already in place, including a combination of the Council's in-house workforce and other contractors, as well as the procurement of additional contractors through the Dynamic Purchasing System. This approach will ensure the momentum behind the programme is not compromised, and any urgent works that were part completed are now being undertaken to minimise any disruption to tenants.

The Scrutiny Committee were updated on the status of works at Lansbury Park (including the external wall insulation contract) and developments regarding the phasing out of the Communities First programme. Members were also updated regarding developments across Property Services, including the imminent completion of the new £7m Abertysswg and Pontlottyn Primary School, the forthcoming demolition of the former Pontllanfraith Council Offices and the vacant comprehensive schools at Pontllanfraith and Oakdale, and details of school improvement projects over the summer period.

Discussion took place regarding the liquidation of Contract Services and Members expressed a need to be kept informed of any such situations as they arise so that they are in a position to respond to tenant queries as needed. The Cabinet Member confirmed that all Members had received an email advising them of the situation and the way forward in respect of any homes where work had already commenced, but that she would relay this feedback to Officers.

A Member referred to the costs associated with the demolition of Pontllanfraith Council Offices (£600k) and queried the rationale for the Council undertaking these works (as opposed to them being carried out by the preferred purchaser).

It was confirmed that there would be no cost benefit to the Authority if the developer demolished the buildings and procured the ground investigation as the associated costs would be deducted in full from their offer. It was explained that a number of significant risks were identified via the original tender process, and it became clear that a net firm offer will not be established until the demolition is complete and a ground investigation completed. Once this is carried out the preferred purchaser will then provide a firm net offer that reflects the findings. This may or may not be acceptable to the Authority. If the firm offer is not acceptable the site will be remarketed and the ground investigation information, for which the Council will hold copyright, will form an important part of the information pack.

Members also expressed a need for affordable housing in the area and it was confirmed that the original design brief for the site incorporated a proportion of affordable housing in its specification.

Councillor C. Gordon (Cabinet Member for Corporate Services) reported on a number of key activities across IT and Central Services, including the implementation of the new WCCIS IT system for Social Services, ongoing work regarding potential IT collaboration, preparation for the General Data Protection Regulation, and the updating of vital components of the Council's IT network.

Members were advised that Customer Services are experiencing a significant increase in calls arising from the Council's waste management recycling campaign. As a result, Officers are exploring opportunities to introduce supportive measures such as automated call handling which will provide a proactive response to member of the public and support staff within the contact centre. Customer Services are also introducing an appointments booking system for services such as blue badge and bus pass applications as part of their modernisation approach, which will provide opportunities to resolve queries at a first point of contact, reduce waiting times for the customer and provide more supportive measures in receiving services from the Council. This new system will be phased in and be fully operational early in the New Year.

The Scrutiny Committee were also updated on the work being carried out by Procurement Services and their counterparts in other local authorities regarding collaboration and joint working opportunities. Officers are keen to avoid duplication and complicated shared service set up costs, and have highlighted a number of key areas which could be facilitated regionally without any formal processes being in place. Members will receive regular reports as discussions progress on this matter.

Discussion took place regarding the volume of calls to Customer Services arising from the Council's recent recycling campaign. The Cabinet Member explained that the Contact Centre had received a 48% increase in calls as a result of these measures and it was therefore necessary to look at all available call-handling avenues in order to alleviate the pressures on staff. Reference was also made to the collaboration work being explored by Procurement Services and it was explained that this is being carried out with a view to establishing an overarching strategy across those common procurement areas that exist within each of the local authorities.

Councillor Mrs B. Jones (Cabinet Member for Finance, Performance and Governance) presented her report and updated Members on key developments across Corporate Finance. The provisional Local Government Settlement is due on 10th October 2017 and Draft Budget Proposals for 2018/19 are due to be presented to Cabinet on 15th November 2017. Members were also encouraged to attend the forthcoming Treasury Management Seminar which will be presented by Arlingclose (the Council's Treasury Management Advisors).

The Cabinet Member gave an update on Scrutiny arrangements and Members were advised that a report which evaluated the outcome of the recent Scrutiny Review Self-Evaluation and Peer Observations was recently considered by the Democratic Services Committee and is due to be presented to Council. This will complete the final part of the review of the Authority's scrutiny arrangements. Members were also updated regarding the Wales Audit Office's scrutiny-related review, which places a focus on scrutiny for the future and will explore with councils how 'fit for the future' their scrutiny functions are. The review will consider how councils are responding to current challenges in relation to their scrutiny activity, as well as how councils are beginning to undertake scrutiny of public service boards.

The Cabinet Members were thanked for their reports.

6. POLICY AND RESOURCES SCRUTINY COMMITTEE FORWARD WORK PROGRAMME

Cath Forbes-Thompson (Interim Head of Democratic Services) presented the report, which outlined details of the Policy and Resources Scrutiny Committee Forward Work Programme (FWP).

Members were advised that the FWP included all reports agreed at the meeting held on 18th July 2017 and outlined the reports planned for the period October 2017 to July 2018. Members were asked to consider the FWP alongside the Cabinet Work Programme as appended to the report and to suggest any changes.

The Scrutiny Committee were in agreement with the contents of the Forward Work Programme and approved its publication on the Council's website.

7. CABINET REPORTS

Following a request from a Member of the Scrutiny Committee, the following report had been brought forward for discussion at the meeting. None of the other Cabinet reports had been brought forward.

Demolition of Oakdale and Pontllanfraith Comprehensive Schools

A copy of the Cabinet report and decision notice was tabled for Members' information.

The Member expressed a need to retain primary school capacity on the Pontllanfraith Comprehensive School site (i.e. the old primary school building) to accommodate additional primary school pupils as a result of potential housing growth within the area in future years. It was explained that Corporate Services liaise with all Council departments to determine if there is any operational requirement before the building is declared surplus (and therefore Education would have been consulted regarding the future use of this site). It was confirmed that Officers would arrange to circulate information to Members following the meeting to provide reassurance that schools in the area have sufficient capacity for additional pupils.

Clarification was sought on the timetable for the demolition works scheduled for the Pontllanfraith Comprehensive School site in view of health and safety considerations for users of the adjacent leisure centre. Members were asked to note that Cabinet had approved the procurement of the associated demolition works, but had resolved that these do not proceed until the consultation exercise on the proposed closure of Pontllanfraith Leisure Centre has been concluded. Discussion also took place in relation to this matter.

REPORTS OF OFFICERS

Consideration was given to the following reports.

8. DATA PROTECTION REFORM

Joanne Jones (Corporate Information Governance Manager) presented the report, which informed Members of the requirements of upcoming data protection reform and corporate action to address these requirements. The Scrutiny Committee were also asked to consider the updates to the Council's Information Risk Management Policy, prior to its presentation to Cabinet.

Officers explained that the UK government recently presented a draft Data Protection Bill to the House of Lords to replace the Data Protection Act 1998 and provide a comprehensive legal framework for data protection in the UK, supplementing the requirements of the General Data Protection Regulation (GDPR) which will be directly applicable in the UK from 25th May 2018. The Bill is scheduled for consideration at a second reading on 10th October 2017.

Members were advised of the key impacts of data protection reform as set out in the report. The changes will mean a greater requirement for accountability and Privacy by Design, and the Council will now have to evidence that they are complying with data protection requirements. There are also greater rights for data subjects, including rights to know what

the Council will do with their data, and tighter reporting timescales, including mandatory breach reporting within 72 hours. Members were also referred to the Council's Information Risk Management Policy appended to the report, which has been updated to cover new data protection requirements, and incorporates a number of changes, such as promoting the use of Privacy Impact Assessments when necessary, and frequency of reports on Service Area Information Risk Registers to the Senior Information Risk Owner (SIRO) changing from quarterly to six monthly.

During the course of the ensuing debate, Members queried the implications of the data protection requirements on staff workloads. It was explained that the Corporate Information Governance Unit are working with South Wales Information Forum to share the preparatory workload where possible, and Information Governance Stewards across each service area are also undertaking preparatory work specific to their Service Area. The volume of preparatory work is a challenge, but the highest risks are being prioritised. Existing all-staff training will be relaunched on an annual basis to promote awareness of data protection requirements, so by the time the new law is in place staff should be fully aware of their responsibilities. Maintaining evidence of accountability when handling personal data needs to be embedded, but the Council are developing methods of simplifying the creation and maintenance of this evidence so that staff can focus on service delivery. It was confirmed that the situation will be monitored whilst the new requirements are embedded into normal working practices.

Discussion also took place regarding the data protection responsibilities of Members, and Officers outlined details of the training provided to them (including annual Information Governance training) and of the support that is available from the Corporate Information Governance Unit.

Following consideration of the report, and in noting the requirements of upcoming data protection reform and corporate action to address these requirements, it was moved and seconded that the following recommendations be referred to Cabinet for approval. By a show of hands, this was unanimously agreed.

RECOMMENDED to Cabinet that:-

- (i) the requirements of upcoming data protection reform and corporate action to address these requirements be noted;
- (ii) the revised Information Risk Management Policy appended to the report be approved.

9. DYNAMIC PURCHASING SYSTEM FOR THE PROVISION OF GENERAL BUILDERS

Liz Lucas (Head of Procurement and Customer Services) presented the report, which provided an update in relation to the Council's Dynamic Purchasing System (DPS) for the Provision of General Builders.

The Scrutiny Committee were informed that the Council established the DPS for the Provision of General Builders in March 2017 in accordance with procurement legislation. The purpose of the DPS is to facilitate the Council's general building requirements by running mini competitions with those contractors established on the DPS, which will allow the identification of contractors to undertake packages of external works to the Council's housing stock in accordance with the Welsh Housing Quality Standard (WHQS) Programme. The specific works that may be procured under the DPS for these external works will be available via the mini competitions and associated documentation.

Although it is anticipated that the DPS will predominately be used in the Lower Rhymney Valley, the Council has reserved the right to utilise the DPS for any internal and external

general building requirements. The DPS will assist the Council in proactively managing any potential capacity issues, which have previously been identified within the WHQS programme when utilising traditional frameworks and other arrangements. Contractors are asked to note that admission onto the DPS is not a guarantee of any award of contracts or volume or value of contractors. The establishment of the DPS has also allowed the Council the opportunity to trial the use of a 'passport to trade' process with contractors. This will streamline and alleviate the need for contractors to frequently submitting repeat qualifying information (such as health and safety and insurance documentation) whilst tendering for various opportunities for works of a similar nature.

Further details relating to the process surrounding the Dynamic Purchasing System, including advertisement of the DPS opportunity, the pre-qualification stage, mini-competitions, and passport to trade process were contained in the report. Members were also referred to the report appendices containing the Memorandum of Understanding (MoU) and guidance document, a full list of contractors on the DPS and the status of mini-competitions up to 31st August 2017. It was noted that there have been 11 mini-completions to date (5 fully awarded and 6 being evaluated), with 63 out of 68 contractors on the DPS (93%) defined as local contractors within the Welsh Purchasing Consortium area, and of these 21 are based within the county borough.

A Member queried why it was intended for the DPS to be predominately used in the Lower Rhymney Valley (and not further afield). Officers explained that contract arrangements are already in place with regards to the WHQS in the majority of areas. The DPS will be used to supplement contractors in areas of need and will support the Council in delivering the WHQS programme.

Queries were received relating to the consideration of community benefit outcomes when awarding contracts. Officers explained that these are considered on an individual basis and are tailored to the nature of the contract. Specific initiatives have not been considered in the mini competitions to date due to the urgency of the works associated with the WHQS. Officers gave examples of the types of community benefits that could be generated, such as the use of local small businesses within the supply chain, sponsorship for schools and apprenticeship opportunities within the local area.

Discussion took place regarding payment of the living wage and Officers explained that although contractors are encouraged to give due consideration to this matter in line with national guidance, this cannot be enforced by the Council. Additionally, all sub contract arrangements must ensure the flow down of terms and conditions (including payment terms) as detailed in the mini competitions invitation to tender documentation. Members were also referred to the Welsh Government's Code of Practice for Ethical Employment in Supply Chains, which sets out good practice and policy in relation to this matter. In a response to a Member's query regarding the Welsh Purchasing Consortium area, Officers explained that this comprises of 12 authorities across South East Wales (encompassing the area from Monmouth to Swansea).

Following consideration of the report, Members noted its contents in relation to the Council's Dynamic Purchasing System (DPS) for the Provision of General Builders.

The meeting closed at 6.48 p.m.

Approved as a correct record and subject to any amendments or corrections agreed and recorded in the minutes of the meeting held on 14th November 2017, they were signed by the Chair.

CHAIR