



OVERVIEW & SCRUTINY COMMITTEE

MINUTES of the OPEN section of the Call-in meeting of the OVERVIEW & SCRUTINY COMMITTEE held on 20TH December 2004 at 6.00 P.M. at the Town Hall, Peckham Road, London SE5 8UB

PRESENT: Councillor Kim HUMPHREYS (Chair)
Councillors Eliza MANN, Barrie HARGROVE and Andy SIMMONS.

ALSO PRESENT: Councillor James Gurling
Councillor Aubyn Graham
Councillor Nick Stanton

OFFICER SUPPORT: Shelley Burke – Head of Overview & Scrutiny
Mick Daniels – Assistant Director of Education
Stephanie Dunstan – Scrutiny Project Manager
Glen Egan – Assistant Borough Solicitor
Stephanie Fleck - Principal lawyer - contracts
Kym Hamilton, Joint Union Staff Side Secretary
Roger Lynch – CEO, Ruskin Private Hire
Sarah Naylor – Assistant Chief Executive Policy & Performance
Kevin Peters – Head of Modernisation
Peter Skidmore – Education Department

APOLOGIES FOR ABSENCE

Apologies were received from Councillor Fiona Colley. Apologies for lateness were received from Councillor Barrie Hargrove who subsequently arrived at the meeting.

CONFIRMATION OF VOTING MEMBERS

The Members listed as being present were confirmed as the Voting Members

NOTIFICATION OF ANY OTHER ITEMS WHICH THE CHAIR DEEMED URGENT

There were none

DISCLOSURE OF INTERESTS AND DISPENSATIONS

See Minute of Item 2.

RECORDING OF MEMBERS' VOTES

Council Procedure Rule 1.17(5) allows a Member to record her/his vote in respect of any motions and amendments. Such requests are detailed in the following Minutes. Should a Member's vote be recorded in respect to an amendment, a copy of the amendment may be found in the Minute File and is available for public inspection.

The Committee considered the items set out on the agenda, a copy of which has been incorporated in the Minute File. Each of the following paragraphs relates to the item bearing the same number on the agenda.

1. CALL IN; EXECUTIVE DECISION [30th NOVEMBER] in respect of the Project Start Up for Peckham and Walworth One Stop Shops

Cllr Humphreys [Chair] opened the meeting at 6.10pm. Modernisation Officers tabled and distributed a report [Appendix 1].

Cllr Simmons introduced the item and explained that at the time he had requested the call in important key information had not been made available to him, however the report officers had just distributed had satisfied some of these information gaps. The main reasons for the call in was to ensure that there was value in setting up a temporary one stop shop in Peckham and to discuss the location of this building.

Cllr Gurling stated that some of the concerns Cllr Simmons raised had been discussed in the Executive meeting, where Executive members had questioned the value for money of setting up a temporary one stop shop. He commented that the key objective was to deliver access to key council services as quickly as possible to the area.

There was a general discussion about the location of the temporary one stop shop in Peckham library, with Cllr Simmons and Hargrove commenting that the location was not ideal because it was located off Rye Lane and did not get much foot traffic. Both Cllrs commented that the Walworth Rd one stop shop was in an ideal location. Kevin Peters [Head of Modernisation] told the Committee that the Modernisation Team were hoping that the location of the temporary one stop shop in Peckham library would attract people to the library, especially as the one stop shop would also be an area housing office. Cllr Gurling commented that putting the one stop shop in Peckham library was the best option to ensure that Council services were available to residents in Peckham. Kevin Peters suggested estimate foot fall traffic figures may decrease, depending upon how successful the current campaign is to use internet & call centre services.

Cllr Humphreys asked if the architect of Peckham library had been consulted about a one stop shop being located in the building. Cllr Humphreys and Cllr Hargrove pointed out that Peckham library had won the 2000 Stirling Prize for Architectural innovation and that its designs for use should not be compromised. Kevin Peters told the Committee that the plans for the Peckham One Stop Shop had been approved by the Regeneration Department .

Cllr Hargrove made a point about the possibility for usage of the one stop shop to increase beyond the estimate customer usage. He cited the example of Acorn, which is always very busy, and asked if the planned floor space of the one stop shop would be big enough to accommodate customers. Cllr Humphreys asked if there would be confidential booths for customers to discuss confidential matters with council staff. Kevin Peters replied that a requirement of the service was to ensure confidential booths were available and reiterated that usage figures will depend upon the success of the contractor (Pearson) in encouraging use of non face to face services.

Cllr Simmons commented that the temporary one stop shops did not take into account the recommendations of the forthcoming office accommodation review, which may have alternative suggestions. He also commented that tenant leaders and housing officers were unaware of the Council's thinking with regard to one stop shops and needed access to information.

Cllr Gurling replied that as the Executive member responsible for modernisation he would rather be accused of bringing too many council services to Peckham, rather than ignoring the area. He commented that he appreciated the issues Cllr Simmons and Cllr Hargrove had brought to his attention, however he strongly believed the location of the Peckham one stop shop would be the best location, regardless of the forthcoming office accommodation review. He said that the Council needed to approve the plans for the one stop shop so that they could go forward in delivering services, if not Peckham would compare badly with Walworth which was a situation he did not want to occur.

Cllr Simmons suggested the following resolution:

- *That OSC recommends that plans for an expanded One Stop Shop at Peckham library are suspended urgent consultation with the two Community Councils and Councillors covering the Peckham area on the proposals.*

On being put to the vote the resolution was lost on the Chair's casting vote.

RESOLVED:

That Overview & Scrutiny Committee recommends to the Executive that:

1. Procedures for handling confidential information and its transfer between the One Stop Shop Office and Housing Offices be developed;
2. That officers be instructed to enter into discussions with the architect of Peckham Library to ensure he is made aware of the proposals and his views are sought;
3. That contingency plans be developed if there is under capacity at the One Stop Shop in Peckham.

2. Call-in of Executive decision of 30th November 2004 in respect of Gateway 2 – Contract Award Approval – Home to School Transport Contract Award.

Glen Egan [Assistant Borough Solicitor] reminded Members of the Committee of their responsibilities if they felt they might have a prejudicial interest in the item. He enquired whether any councillors had had contact with any of the tenderers. Cllr Simmons asked Glen Egan if contact from one of the contractors constituted a prejudicial interest. He advised the Councillor to withdraw himself from the item if he felt he would be unable to judge the public interest by acting in an unbiased manner. Cllr Simmons declared that he had considered this issue and felt he was able to judge the public interest and so did not have a prejudicial interest.

The Chair invited the deputation from Roger Lynch, Chief Executive Officer of Ruskin Private Hire.

Mr Lynch thanked the Committee for the opportunity to present to the Committee and gave a power point presentation. He told the Committee that Ruskin Private Hire was fully owned and operated in Southwark and for the last five years had been running a Southwark contract. He told the Committee that he had concerns that his company had not been treated fairly in the issuing of the contract, citing examples of the tender process being extended without his notification, having to ask for the tender panel to visit their site (opposed to the tender panel requesting to visit) and no checks being made regarding the quality of training the tenderers provided. He also told the Committee that Ruskin did not have a depot but he had learnt that Olympic South may have access to the council dept on Spa Rd, which was unfair. He had concerns with the way the panel had decided 'best value' and the financial capacity of Olympic South to complete the contract. He presented financial data on Olympic South obtained from Companies House. He commented that he had raised some of these issues with the District Auditor and the Police, who are investigating.

Cllr Simmons thanked Roger Lynch for a clear and concise presentation. Cllr Hargrove asked if Olympic South had been told they could use the depot?

Roger Lynch replied that some of his staff also contract for Olympic South, and at a staff meeting they had been told that they had access to the Spa Rd depot. He also commented that his staff had heard that a manager at Southwark Council had arranged it .

Kym Hamilton, Joint Union Staff Side Secretary addressed the Committee and said that the Joint Union were concerned with Olympic South being awarded the contract. The main concerns were that Olympic South did not appear to have adequate resources to carry out the contract, were unaware of regulatory obligations with regard to the overnight parking of vehicles and safety checks.

Peter Skidmore [Education Department] explained to the Committee that the tendering process had been conducted fairly and Olympic South at the end of the process emerged as the preferred bidder. He commented that discussions with Olympic South had highlighted that they did not intend to use a depot, as they planned to increase economic efficiencies by putting in place a system whereby drivers are closer to children requiring transport. Currently the system is inefficient because drivers must travel to the Spa Rd depot to collect the vehicle perhaps to drive to the other end of the borough. Olympic South are able to have a lower priced contract because they can be economically efficient in the use of their drivers, by working them on other contracts that they have. He told the Committee that he had told all tenderers that the Spa Rd depot would not be available.

Roger Lynch commented that he was concerned that Olympic South drivers were not aware of the European safety regulations which stipulates that drivers can only drive for 4 hours at a time and then require a break. This was also supported by Althea Smith [Resident Activist] who stressed that the Council needed to take safety seriously as the contract concerns children with special needs. Peter Skidmore replied that Southwark does take the issue of safety requirements for contractors very seriously

There was a general discussion about the availability of the Spa Rd depot. Peter Skidmore reiterated that the Spa Rd site is not available, had never been available to any contractor and cannot be given to any contractor. He commented that he had been very clear with all tenderers on this topic.

Peter Skidmore told the Committee that they needed to be aware that all contractual arrangements finish on 31st December and that on the 5th of January children will be required to be driven to school. If the recommendation of the Call-in tonight is to not award the contract immediately, then temporary arrangements will need to be put in place.

EXCLUSION OF PRESS AND PUBLIC

It was proposed, seconded and

RESOLVED: That the public be excluded from the meeting for consideration of the following item of business on the grounds that it involved the likely disclosure of exempt information that falls within categories 7,8,9,&10 as defined in paragraph 10.4 of the Council's Access to Information Procedure Rules.

Glen Egan, Assistant Borough Solicitor, queried the reason for Councillor Graham's presence in the meeting as he was not a member of this Committee. Mr Egan advised that Councillor Graham could only remain in the meeting if he could demonstrate "a need to know" the information contained in the exempt report. This could be either in order to discharge Councillor Graham's constituency duties or to discharge any responsibilities as an office holder of his Group.

Councillor Graham stated that he was a member of the Education Scrutiny Sub-Committee and needed the information in order to discharge his duties as a member of that committee. Mr Egan advised that as this particular matter was not currently before the Education and Youth Scrutiny Sub-Committee, Councillor Graham had not demonstrated "a need to know" and that accordingly it would be inappropriate for him to remain in the meeting.

This advice was queried and Councillor Graham stated that he had been allowed to remain in the Executive Meeting, as a representative of his Group, when this matter was originally considered. Mr Egan advised that he remained of the view that it would be inappropriate for Councillor Graham to remain in the meeting, but that he would refer the matter to the Borough Solicitor so that a consistent practice could be established. Councillor Graham, at the request of the Chair, then left the meeting.

RESOLVED:

1. That the decision of the Executive of 30th November in respect of Gateway 2 – Contract Award Approval – Home to School Transport Contract Award is held in abeyance.

2. That, in addition the Overview and Scrutiny Committee recommends to the Executive that:
 - i. That all information provided to the Committee is communicated to the District Auditor as a matter of urgency;
 - ii. That the Chief Executive and the Borough Solicitor ask internal audit to report back to the Executive on the issues raised concerning this contract.

The meeting ended at 8.40 p.m.

CHAIR:

DATED: