

<b>Item No:</b> <b>1</b>	<b>Classification:</b> Open	<b>Date:</b> May 10 2007	<b>Meeting Name:</b> Overview & Scrutiny Committee
<b>Report Title:</b>		Call-in: Office Accommodation Programme – Updated Strategy, Property Acquisition and Business Case (Executive May 2 2007)	
<b>Ward(s) or Group affected:</b>		All	
<b>From:</b>		Head of Overview & Scrutiny	

### **RECOMMENDATION**

1. That overview & scrutiny committee considers a call-in request relating to the decision taken by the Executive on May 2 2007 in respect of the Office Accommodation Programme – Updated Strategy, Property Acquisition and Business Case.

### **BACKGROUND INFORMATION**

2. On May 2 2007 the executive considered open and closed reports on the Office Accommodation Programme (open report attached as an appendix). The executive agreed:
  1. That the strategy for the council's office accommodation approved on 30 January 2007 be adjusted, by foregoing a short term solution in order to concentrate resources on the medium term, with new office accommodation ready for occupation in 2009.
  2. That the priority areas for the revised strategy be:
    - i. to move staff from the least satisfactory accommodation that is unfit for the purpose of delivering effective services, and
    - ii. to provide appropriate accommodation to support the implementation of a single children's service.
  3. That Southwark Town Hall (31 Peckham Road only), 151 Walworth Road and 19 Spa Road buildings be retained, subject to affordability considerations.
  4. That approval of the Gateway 1 for the procurement of a partner to undertake office fit-out and design and business transformation associated with the office accommodation programme be delegated to the chief executive.
  5. That funding be provided for the works, as set out in the closed report and the finance director be instructed to identify the required funding sources in consultation with the executive member for resources and to report back to the major projects board for approval as required.

6. That the finance director be required to incorporate all financial implications arising from the agreed programme within a refreshed Medium Term Financial Strategy and within the four year Policy & Resourcing Strategy.
  7. That the deputy chief executive and finance director provide in advance of budget preparations for 2008/09 a further report on the nature and extent of efficiency savings to be targeted as a result of this programme.
3. On May 4 2007 the Chair of Overview & Scrutiny Committee - Councillor Fiona Colley - and three members of the Committee (Councillors Barrie Hargrove, Dominic Thorncroft and John Friary) requested call-in of the decisions. The following is a summary of the grounds for the call-in, a full version of which is contained in the closed agenda:

**“Due consultation and the taking of professional advice from Officers**

A. Proportionality

We question whether the proposed action is proportionate to the desired outcomes.

We question the validity of a number of assumptions in the BCM (Business Case Model).

The report does not include a Community Impact Assessment and we are concerned that the possible impact on the local economy in areas where the council will be vacating buildings has not been fully considered, in particular the impact on SME and BME businesses in areas such as Camberwell.

B. Due consultation

We are deeply concerned that decisions have been taken to sell public buildings without consulting the community.

Alternative course of action

Other alternative courses of action exist including deferring the decision until further work is completed on the business case, a full community impact assessment and community consultation.

C. Policy or Budget Framework

Members do not believe the decision is outside the policy or budget framework.”

**KEY ISSUES FOR CONSIDERATION**

4. Requests for call-in should normally only be made if there is evidence that the decision was not taken in accordance with the principles of decision making as set out in the Constitution:

- Proportionality (i.e. the action must be proportionate to the outcome);
- Due consultation and the taking of professional advice from Officers;
- Respect for human rights;
- Presumption in favour of openness;
- Clarity of aims and desired outcomes;
- The link between strategy and implementation must be maintained;

Decision-making generally should have reference to the policy framework and be in accordance with the budget.

5. The Overview and Scrutiny Procedure Rules require the Committee to consider any call-in request and in particular whether or not the decision might be contrary to the policy framework or not wholly in accordance with the budget. Advice should be sought from appropriate Chief Officers including the Monitoring Officer and the Chief Finance Officer.
6. If, having considered the decision and all relevant advice, the Overview & Scrutiny Committee is still concerned about it, then it may either:
  - refer it back to the decision-making body *[or officer to whom responsibility for that decision was delegated]* for reconsideration, setting out in writing the nature of its concerns; or
  - refer the matter to Council Assembly if the decision is deemed to be outside the policy and budget framework.
7. The Executive Member with relevant portfolio responsibilities has been advised of this meeting.

#### **LEGAL & FINANCIAL IMPLICATIONS**

8. Rule 18.6 of the Overview and Scrutiny Procedure Rules requires a call-in to be requested by the Chair or Vice-Chair of the Overview and Scrutiny Committee plus three members of the Committee; the call-in request has been validly made in accordance with this rule. The Director of Legal and Democratic Services has confirmed that the grounds for the call-in are in accord with the requirements set out at paragraph 4 above.

## BACKGROUND DOCUMENTS

Background Papers	Held at	Contact
Executive – Agenda & minutes	Town Hall, Peckham Road, London SE5 8UB	Paula Thornton Constitutional Team 020 7525 4395

## Audit Trail

<b>Lead Officer</b>	Shelley Burke, Head of Overview & Scrutiny	
<b>Report Author</b>	Fitzroy Williams, Scrutiny Officer	
<b>Version</b>	Final	
<b>Dated</b>	08/05/2007	
<b>Key Decision?</b>	No	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / EXECUTIVE MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments included</b>
Director, Legal & Democratic Services	Yes	-
<b>Executive Member</b>	No	