

BABERGH DISTRICT COUNCIL

Minutes of the meeting of the **BABERGH OVERVIEW AND SCRUTINY COMMITTEE** held in the King Edmund Chamber, Endeavour House, 8 Russell Road, Ipswich on Monday, 21 February 2022.

PRESENT:

Councillor: Mary McLaren (Chair)

Councillors: Melanie Barrett Jane Gould
Adrian Osborne

In attendance:

Councillor(s): David Busby – Cabinet Member for Assets and Investments
Simon Barrett – Cabinet Member for Finance

Officers: Chief Executive (AC)
Assistant Director – Assets and Investment (EA)
Assistant Director – Corporate Resources and Section 151 Officer (KS)
Assistant Director – Law and Governance and Monitoring Officer (EY)
Corporate Manager – Governance and Civic Office (JR)
Senior Governance Officer (HH)
Trainee Governance Support Officer (BW)

Apologies:

Kathryn Grandon (Vice-Chair)
John Hinton

26 DECLARATION OF INTERESTS

None received.

27 CALL-IN PROTOCOL FOR THE BABERGH CABINET DECISION 7 FEBRUARY 2022

27.1 Councillor Jane Gould proposed that the protocol for the Call-in Procedure be approved.

27.2 Councillor Adrian Osborne seconded this motion.

By a unanimous vote.

It was RESOLVED: -

That Members considered and agreed the scope of the Call-in.

28 CALL-IN OF THE BABERGH CABINET DECISION FOR BCA/21/38

ACCOMMODATION AND AGILE STRATEGY - ENDEAVOUR HOUSE

- 28.1 Councillor Melanie Barrett, as Lead Signatory, was unable to vote on this item and was not acting in her role as a Member of the Committee.
- 28.2 The Chair invited the Lead Signatory, Councillor Melanie Barrett, to present her reasons for the Call-in.
- 28.3 The Lead Signatory presented the following reasons:
- 28.4 I called this into the Overview and Scrutiny Committee because I believe that, as the Chair has outlined in my submission to the committee, this is such a significant amount of money that is proposed to be spent. When I first read it, I thought it may have been £50,000, but it was indeed £250,000 to be spent on half of the workspace that we previously occupied. So, the benefits appear to be a net saving of £88,000. However, does this saving come at a cost to service delivery and our residents? That is also a concern.
- Although the majority of my reason for referring is due to the lack of scrutiny on how that money will be allocated. The decision cannot be sensibly made on such a ballpark figure. Previous history of calculations has shown this, and there is no detail. Having looked at papers for the budget I note that in that paper under the General Fund budget they talked about the key elements of the Council's responsibility, and one of those is cost management.
- I understand there may also be a margin of error within these calculations that we cannot assess until we are given more detail. In the floor plan I see that there is a branding graphics wall, a green graphics wall, and a full height green wall. I presume there would be costs available for us to understand how that cost could amount to half a million pounds. That would have helped the Cabinet to make better use of their questions to understand how that figure was arrived at.
- I understand that some of the cost is sound proofing meeting rooms, but that is not clear from the paper whether the landlord has been approached to see if they would shoulder some of those costs. That should be our first option to make sure that the landlord was going to share those costs. It is unbalanced as there were potential costs that were looked at as a ballpark figure. But there has not been an assessment of the impacts on productivity and output. It seems that the primary move is to serve the needs officers, and residents will only benefit indirectly.
- There is a saving, but just because there is saving that does not mean this is free money that can be unaccounted for. There are always costs, there is other options that we could spend the money on.
- To look at this in some context for this expenditure of £250,000, some Councillors spent the last 16 months arguing the case for imposing parking charges where it was estimated that we would raise £212,000, but the same degree of scrutiny has not been shown to this issue. It has just been taken on face value.
- In my view an even greater degree of scrutiny than normal must be applied here as the money will directly benefit the staff, and the staff are making their decision with only minimal input from Councillors. It only indirectly

benefits our residents if at all. Indeed, this move could be detrimental to the residents as they might see reduction in service provision, lengthening service times, or reduced access to officers. I urge you to make recommendations to Cabinet to demand a greater breakdown of cost, and analysis of the impact of the changes that have been approved.

28.5 The Chair invited the Cabinet Member for Assets and Investments, Councillor David Busby to present the reason why the decision had been taken by Cabinet.

28.6 The Cabinet Member for Assets and Investment, Councillor Busby, provided a summary of the events at Cabinet:

28.7 The Cabinet supported the recommendations within the Accommodation and Agile Strategy for Endeavour House report on 7th February. These recommendations were to reduce and reconfigure the floor plate space within Endeavour House, and to delegate authority to the Assistant Director for Assets and Investments to develop changes. The reasons for these decisions were set out in the report. They need to create fit for purpose accommodation at Endeavour House, to deliver financial savings over the full term of the lease, and to enable timely, efficient, and effective delivery of the project. Councillor Barrett has contested that the report presented to Cabinet did not contain sufficient information on the cost of the works proposed Cabinet to make an informed decision. Section 6 of the report sets out the financial implications of this decision resulting the saving of £356,000 for Babergh after estimated costs of £250,000.

The estimated capital costs are based on the concept drawings provided by Concertus and are sufficient for budgeting purposes. Detailed costs will not be available until the full technical design has been completed and the works tendered. But, even with costs rising, we anticipate coming in under budget. Waiting for the detailed costs is not an option as the notice to trigger the break clause must be served before the end of March 2022. Cabinet has to take the decision before then, otherwise the Councils will lose the legal ability to end the lease for one of the floor plates. Councillor Barrett has also contested the Cabinet approved the paper on a reduction to the floor plate but neglected to consider the expenditure. But, whilst there may not have been any questions directly related to the capital cost of this project during the Cabinet meeting, this does not mean that the Cabinet failed to give due consideration. It means that we were content with the information provided. Cabinet Members or other Members, such as Councillor Barrett, who attended the meeting had adequate opportunity to raise any such concerns or questions in this regard. Finally, Councillor Barrett states her concern that key decisions about expenditure should not be delegated. This is a key decision made by the Cabinet and was advertised as such ahead of the Cabinet making decision in accordance with the constitution. The decision to adopt the recommendations was made by Cabinet and implementation delegated to officers. This is normal practice and in line with our constitution.

28.8 Councillor Jane Gould queried how the sum of £250,000 had been calculated, and whether the Cabinet had been aware of how this expenditure was

determined. The Assistant Director - Assets and Investments responded that the budget figures had been based on an estimate by the consultants with the concept plan drawing. In addition to this, until the full technical design was finalised a final costing would be unable to be provided in greater detail. Councillor Gould also highlighted the fact that though the Cabinet may have been familiar with the detail of the costs, certainly members of the public and other councillors watching by live stream would have assumed that the proposed cost was agreed unchallenged by any Cabinet Members.

- 28.9 Cabinet Members answered Committee Members' queries on why questions on the expenditure had not been asked by Members of the Cabinet. The Cabinet Member for Assets and Investments, Councillor Busby, responded that whilst Members of the Cabinet had not asked questions on this issue, other Members present at the meeting had been able to ask questions on this point. In addition to this, there had not been a cost breakdown within the report. The Cabinet Member for Finance, Councillor Simon Barrett, added that in the vote during the meeting the costs and the break clause had been within the same vote and that the break clause had a time limit that needed to be recognised.
- 28.10 Councillor McLaren queried what the current costs for the two floor plates was currently. The Assistant Director – Assets and investment responded that it was £464,000 per annum.
- 28.11 Councillor McLaren queried the dilapidations costs and whether they could have been discussed in private session at the Cabinet meeting. The Assistant Director – Assets and Investment responded that they could have, but negotiations had not been completed, so this could not be estimated until the lease had expired.
- 28.12 Councillor McLaren questioned the current spend on the work that had been undertaken by the consultants on the project. The Assistant Director – Assets and Investment responded that there had been a current budget of £15,000, and of that total £6000 had been spent.
- 28.13 Councillor McLaren queried the numbers of staff responding to the internal survey and was fifty percent of the staff responding, reflective of the workforce. Councillor Dave Busby felt the response rate from staff was good as many staff work offsite. The Cabinet Member for Assets and Investments was also asked whether the costs of Display Screen Equipment (DSE) assessments undertaken by the Council for staff working from home had been considered. The Assistant Director - Assets and Investments responded that there had been no additional cost for assessments as it had been managed by the Council's Health and Safety team.
- 28.14 Councillor McLaren questioned where these funds had been located in the budget papers. The Section 151 Officer responded that it had been contained Appendix A of General Fund report under Planned Maintenance / Enhancements - Corporate Buildings with £300,000 allocated for this work. Additionally, the funds would come from borrowing, and that the interest on

this over 5 years would be £7,500.

- 28.15 Councillor McLaren queried the arrangements if the proposed plans to reduce the floor space when implemented fail, to meet the needs of the staff. The Assistant Director of Assets and Investments reassured the Committee that the proposed floor space was flexible to meet that eventuality.
- 28.16 The Chair invited the Cabinet Member – Assets and Investments Councillor Busby to present his summary.
- 28.17 Councillor Busby - Cabinet Member for Assets and Investments summarised that there had been two elements to this issue as there had been the finance side and the information side. He believed that there had been sufficient information as the project had been ongoing for the previous nine months and had received feedback from two working groups. Additionally, the estimated amount was not an unreasonable budget for the scale of the work that would be undertaken. There is a significant need for this work.
- 28.18 The Chair invited the lead signatory Councillor Barrett to present her summary.
- 28.19 Councillor Melanie Barrett summarised that as building costs would have been expensive, she believed that more information should have been provided before the decision was made. The expense should have been known in more detail in the specifications, with estimates broken down for individual features within the design. The specification should also establish what the gain for the work force would be to ensure that the design is suitable.
- 28.20 Councillors David Busby, Melanie Barrett, and Simon Barrett left the meeting at 10:36am.
- 28.21 A short break was taken between 10:36 – 10:45am.
- 28.22 Members debated the lack of questions on finance at the Cabinet Meeting by Members of the Cabinet. However, it was noted that there were opportunities for other Members attending the meeting to ask questions. Additionally, it was observed that although the questions had not been asked it did not mean the Cabinet were not informed on this matter.
- 28.23 Members also raised concern that for decisions that deal with large sums of money there should be more questioning in public session to allow for public transparency. However, it was added that the public did have the opportunity to question this matter, and no responses from the public had been received.
- 28.24 Councillor Jane Gould proposed that the decision be upheld and implemented immediately. Councillor Adrian Osborne seconded this motion.

By a unanimous vote.

It was RESOLVED: -

That the decision be upheld and implemented immediately.

29 BCA/21/38 ACCOMMODATION AND AGILE STRATEGY - ENDEAVOUR HOUSE

See the previous item.

The business of the meeting was concluded at 11:03am.

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Chair

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