

Attendance

Members of the Scrutiny Board

Cllr Paul Sweet (Chair)
Cllr Jonathan Crofts (Vice-Chair)
Cllr Stephen Simkins
Cllr Jacqueline Sweetman
Cllr Philip Bateman MBE
Cllr Greg Brackenridge
Cllr Alan Bolshaw
Cllr Paula Brookfield
Cllr Jonathan Crofts (Vice-Chair)
Cllr Val Evans
Cllr Phil Page
Cllr Rita Potter
Cllr Wendy Thompson
Cllr Paul Sweet (Chair)

Part 1 – items open to the press and public

Item No. *Title*

- 1 **Apologies for absence**
Apologies for absence were received from Cllr Mak Singh.

- 2 **Declarations of interest**
There were no declarations of interest.

- 3 **Minutes of the previous meeting**
Resolved:
 That the minutes of the previous meeting be approved as a correct record and signed by the Chair.

- 4 **Matters arising**
There were no matters arising.

- 5 **Civic Halls Update**
The Chair welcomed Richard Lawrence, Director of Regeneration to the meeting.

There were three elements to the current scheme regarding the refurbishment of the Civic Halls:
 1. The design element (including planning),
 2. The future operating model
 3. The physical build

It was confirmed that on 17 June 2019, the contractors had ceased trading and the Council now needed to procure a new contractor for the refurbishment.

At the moment the Council was progressing against the required framework. The Council was confident that there would be a new contractor in place by the Autumn and that this would keep the project within budget and timeframes.

The collapse of the contractors had been unforeseen, and it was confirmed that all due diligence processes had been completed as part of the original contract and prior to the variation of contract in February/March this year. At no point during this time had there been any indication that the contractors were going to stop trading. The Council had taken all necessary health and safety checks to close the Civic Halls and to terminate the contract.

It was confirmed that the first part of contract had ended on 31 May with the second phase due to start on 1 June. This meant that even though there had been mobilisation for phase 2 no payments had been made and a performance bond was in place so there were no additional costs to the Council and there would be no procurement delays and no budgetary increases in the finding of a new contractor.

The Board considered that there had to be a delay as work was not going on at the moment. It was confirmed that work was not going on but that it was hoped to restart in the Autumn.

It was confirmed that part of the work had been completed and that the asbestos had been removed but there was still a long way to go.

The Board considered the issue of due diligence and questioned what this actually meant and what analysis had specifically been carried out by the Council in relation to the contractors. The Board queried who had carried out the due diligence and some members considered that it should have been a contractor firm with a detailed understanding of what was required rather than a solicitor firm.

The Board questioned how much money had been paid to the Contractor and whether there was still money owing.

The Director for Regeneration confirmed that the Council had paid the contractors for the first phase of the project which had included asbestos removal and had concluded on 31 May. Nothing had been paid following this.

The question was also raised as to why this project had only been given an amber risk rating when it had been considered by the Audit Committee recently. The Board considered that it needed further assurance that the projects were going well and questioned what, if anything was now going to be left out of the original design.

The Board considered that it was a strong statement regarding the fact that the project would remain on schedule and budget and queried whether the Director of Regeneration had any concern that the project might get blown off course considering the assurances he had now given. It was vital to get the project back on track and managed well.

The Board considered that given the circumstances, the Council could not have known what was going to happen regarding the contractor and that it was now imperative to try and get things right for the future. It was time to pick up the pieces and get back on track whilst ensuring that all policies, procurement processes and audits were carried out to the highest level.

The Board queried whether the external auditors had signed off the project yet as it was thought that they still had some concerns and continued to ask questions about it.

The Director for Regeneration stated that full due diligence had been carried out and all appropriate legal and financial confirmation requested and on both occasions the information returned had given the council no cause for concern. There was very little that could have been done to know about the demise of the contractors and as soon as the Council were aware they had secured the site as quickly as possible. The Council was now focusing on how to deliver the project. The contract and procurement side would play a part of this and this process had already been started and some interest shown from certain contractors. This was a very volatile and challenging time due to Brexit, but the project was fully designed and contracted, so officers were confident that they could get a contractor in place to deliver it.

The Board accepted that due diligence had been carried out but expressed concerns that if positive responses had been received that perhaps the Council should look at how the process for assurance and due diligence was carried out.

The Board accepted that the new contractor would not be in place until the autumn but queried whether there was anything the Council could do in the meantime to ensure that when the new contractor started everything was ready to go with immediate effect.

The Board agreed that the vital information was the fact that the project was on time and within budget. It was time to focus and highlight this and not focus on what had happened to a local contractor.

It was considered that it was important to ensure that the Council had a definition of due diligence and what it actually meant. It was important to ensure that if we were requesting information that we were being given it along with proper assurance from our advisors that this had been done.

Regarding due diligence, the Director for Regeneration confirmed that all requested assurances had been received.

The Board understood that there had been a full investigatory report last year containing 28 recommendations and considered whether these had been taken actioned.

Regarding a review of the due diligence process, the Director of Regeneration stated that there was a lessons learnt report about 12-14 months ago and all recommendations had been implemented.

It was suggested that the Council might consider reviewing its procurement processes, taking into consideration external audit advice, government

recommendations and advice from legal departments about how to go through contract procedures.

Resolved: That a report be brought to the Scrutiny Board once a new contractor had been appointed to provide information about whether the finances and schedule were still on track.

6 **Updates from the Chairs of the Scrutiny Panels**

The Board received updates from the Chairs of the Scrutiny Panels.

Stronger City Economy Scrutiny Panel:

Cllr Sweetman stated that her panel had not met yet and that the next meeting would be on Tuesday 16 July.

The agenda included a joint item with the Vibrant Panel on transport and linking the city and public realm. An item on the Digital Infrastructure Strategy and a review of work over the last year was also on the agenda.

The work plan for the Panel was pretty much established but organic and it was important that the Panel be able to respond to external environmental issues.

The Panel would also be looking at the Council's branding and marketing strategy over the years and the overall marketing strategy with strategic overview. The Panel would also be considering the business plan for the Civic Halls and the plans for the future. There would be an update on apprenticeships to see what progress had been made and some scrutiny of the skills and employment offers in the City.

Health Scrutiny Panel

Cllr Page informed the Board that there had been one meeting of the Health Scrutiny Panel and he thanked the scrutiny officer for all of his support.

Cllr Page stated that he had so far been very impressed with all those who had attended the panel and the contributions made. Of particular interest had been an item on suicide which had really helped to raised awareness around the shocking statistics regarding young men and suicide. The Panel had also considered the issue of health care transition between children and adults and some very good points had been raised with the Royal Wolverhampton NHS Trust having prepared a policy procedure for this.

There were some issues in receiving information for the child death overview item and the chair had sent a letter to request this information; the Panel would like to see more cooperation regarding this.

Our Council Scrutiny Panel

Cllr Brookfield informed the Board that her Panel had considered the issue of council tax recovery and that the Panel had been impressed with the support systems in

place at the council. The Panel had received an update in relation to the changes taking place in Customer Services and this issue would be revisited later in the year. The Panel had also received a very informative report regarding the Council's asset management programme.

Adults and Safer City Scrutiny Panel

Cllr Evans stated that her Panel had considered two pre-decision items and that every member of the Panel had made a good contribution to the debate.

Cllr Evans considered that the Panel might start doing some site visits as the portfolio was so big and she would like the members to go out and see what was actually going on. Cllr Evans stated that she was also interested in carrying out some cross panel working as there were many overlapping issues and concerns. The Panel were due to consider the adult education service, the blue badge scheme and a joint item on dementia and loneliness. Cllr Evans was keen to invite the Police and Crime Commissioner to a future meeting and stated that other chairs and cabinet members would be invited to attend this meeting. Cllr Evans thanked the scrutiny officer for his support.

Children, Young People and Families Scrutiny Panel.

Cllr Potter stated that the first meeting had been held on 19 June when the Panel had considered the Headstart programme, which was providing a fantastic service. Cllr Potter stated that the Panel were keen to see the service sustained but also expanded to tackle new and more complex problems. The Panel had considered the issue of elective home education and the proposed legislation regarding this. The Panel had noted some concerns regarding elective home education such as safeguarding, social skills and whether parents were properly equipped to teach their children; the Panel were also concerned that parents did not have to engage with the local authority or follow a set curriculum when educating their children.

The Panel had also considered the Youth Justice Plan and noted that the Council had committed to improve outcomes for young people and to create a safer community.

An additional meeting was planned for October when the Panel would be considering supported unaccompanied asylum seekers.

7

Quarter 3 Social Care, Public Health and Corporate Complaints Report

The Board received a report reviewing complaints management and performance for the period 1 October 2018 to 31 December 2018.

The Board noted that one complaint had been upheld in relation to elections and the Head of Governance stated that he would confirm what this was in relation to.

Resolved:

That the Scrutiny Board note:

1. The Statutory Complaints Activity for Children's Services, Adult Services and Public Health, as listed in section 1 of the report.
2. All the other complaints activity governed by the Corporate Complaints Procedures as listed in section 2 of the report.

8 **Work programme**

Resolved: That the updated work programme be noted.

9 **Forward Plan of Key Decision**

Resolved: That the Forward Plan of Key Decisions be noted.