

# Merton Council

## Cabinet Agenda

### Membership

#### Councillors:

Stephen Alambritis (Chair)  
Mark Allison  
Tobin Byers  
Caroline Cooper-Marbiah  
Nick Draper  
Ross Garrod  
Edith Macauley MBE  
Katy Neep  
Martin Whelton

**Date:**      **Wednesday 17 May 2017**

**Time:**      **8.15 pm or at the conclusion of the Council Annual General Meeting  
called for 7.15pm for the same evening**

**Venue:**      **Committee rooms C, D & E - Merton Civic Centre, London Road,  
Morden SM4 5DX**

This is a public meeting and attendance by the public is encouraged and welcomed.  
For more information about the agenda please contact  
[democratic.services@merton.gov.uk](mailto:democratic.services@merton.gov.uk) or telephone [020 8545 3357](tel:02085453357).

All Press contacts: [press@merton.gov.uk](mailto:press@merton.gov.uk), 020 8545 3181

# **Cabinet Agenda**

## **17 May 2017**

- |   |   |         |
|---|---|---------|
| 1 | Apologies for absence   |         |
| 2 | Declarations of pecuniary interest  |         |
| 3 | Minutes of the previous meeting   | 1 - 6   |
| 4 | Constitution of Committees  | 7 - 14  |
| 5 | Perseid Upper School Expansion Contract Decision  | 15 - 18 |
| 6 | Exclusion of the public<br>To RESOLVE that the public are excluded from the meeting during consideration of the following report on the grounds that it is exempt from disclosure for the reasons stated in the report. |         |
| 7 | Perseid Upper School Extension Contract Decision - Exempt Appendix  | 19 - 22 |

### **Note on declarations of interest**

Members are advised to declare any Disclosable Pecuniary Interest in any matter to be considered at the meeting. If a pecuniary interest is declared they should withdraw from the meeting room during the whole of the consideration of that matter and must not participate in any vote on that matter. If members consider they should not participate because of a non-pecuniary interest which may give rise to a perception of bias, they should declare this, withdraw and not participate in consideration of the item. For further advice please speak with the Assistant Director of Corporate Governance.

# Agenda Item 3

All minutes are draft until agreed at the next meeting of the committee/panel. To find out the date of the next meeting please check the calendar of events at your local library or online at [www.merton.gov.uk/committee](http://www.merton.gov.uk/committee).

## CABINET

20 MARCH 2017

(7.20 pm - 7.47 pm)

PRESENT Councillor Stephen Alambritis (in the Chair),  
Councillor Mark Allison, Councillor Nick Draper,  
Councillor Caroline Cooper-Marbiah, Councillor Edith Macauley,  
Councillor Tobin Byers, Councillor Martin Whelton,  
Councillor Katy Neep and Councillor Ross Garrod

ALSO Councillor Dennis Pearce  
PRESENT Ged Curran (Chief Executive), Paul Evans (Head of Shared  
Legal Services), Yvette Stanley (Director of Children, Schools  
and Families) Chris Lee (Director of Environment and  
Regeneration) Bindi Lakhani (Head of Accountancy), Simon  
Williams (Director of Community and Housing), and Lisa Jewell  
(Democratic Services Officer).

### 1 APOLOGIES FOR ABSENCE (Agenda Item 1)

Apologies were received from Caroline Holland

### 2 DECLARATIONS OF PECUNIARY INTEREST (Agenda Item 2)

There were no declarations of interest.

### 3 MINUTES OF THE PREVIOUS MEETING (Agenda Item 3)

RESOLVED: That the minutes of the meeting held on 13 February 2017 are agreed as an accurate record.

### 4 REPORT OF THE ROUTES INTO EMPLOYMENT FOR VULNERABLE COHORTS TASK GROUP (Agenda Item 4)

Councillor Dennis Pearce, Chair of the Children and Young People Overview and Scrutiny Panel, presented the report on the scrutiny review of routes into employment for vulnerable cohorts. Councillor Pearce thanked all the councillors and officers who were involved in this review. Cabinet members welcomed the report.

## RESOLVED

That Cabinet:

1. Considers the report and recommendations (Appendix 1) arising from the scrutiny review of routes into employment for vulnerable cohorts undertaken by the Children and Young People Overview and Scrutiny Panel.
2. Agrees to the implementation of the recommendations through an action plan being drawn up by officers in consultation with the lead Cabinet Member to be designated by Cabinet.

3. Decides that it wishes to formally approve this action plan prior to it being submitted to the Children and Young People Overview and Scrutiny Panel.

## 5 EQUALITY STRATEGY 2017-21 (Agenda Item 5)

The Cabinet Member for Community Safety, Engagement and Equalities presented the report on the Equality Strategy 2017-21. The Director of Children, Schools And Families thanked Officers and the Cabinet Member for their work on this Equality Strategy.

### RESOLVED

That Cabinet recommends to Council that the draft Equality Strategy and Action Plan 2017-2021 be endorsed and adopted.

## 6 EXCLUSION OF THE PUBLIC (Agenda Item 6)

The Leader asked members to note that although items 7 and 9 had exempt annexes, Cabinet would not discuss the names of bidders contained in these annexes and could therefore stay in public session.

Cabinet noted that Item 10, would be taken as an open item.

RESOLVED: That Cabinet would remain in public session

## 7 SCHOOL CLEANING CONTRACT 2017-20 (Agenda Item 7)

Cabinet received the report on the School Cleaning Contract 2017-20, and noted that this could be extended for a further two years. The Director of Children, Schools and Families offered to send further information to Cabinet members regarding the cost of the procurement and also details of the 'social value' components of the contract.

### RESOLVED

That the council award to the organisation identified as Contractor C in the Confidential Annex to the report a contract for provision of the school cleaning service at Merton primary, secondary and special schools and other education buildings for a period of 3 years from 5 June 2017, with an option to extend for up to two further years at the discretion of the council.

## 8 FINANCIAL MONITORING JANUARY 2017 (Agenda Item 8)

The Cabinet Member for Finance presented the report Financial Monitoring January 2017, and asked members to note that the overspend has been slightly reduced and actions have been taken on the shortfall with no reductions in services.

Members noted the third recommendation tabled on the night, regarding Merton's financial contribution to the proposed project of refurbishment and an extension to the Coroners Court at Horseferry Road.

## RESOLVED

That Cabinet

1. Note the financial reporting data relating to revenue budgetary control, showing a forecast net overspend at year end of £5,901 million, 1.1% of the gross budget.
2. Note the proposals set out in 2.4 to fund this shortfall without any impact on services in the current year.
3. Give authority to the Director of Corporate Services in conjunction with Deputy Leader and Cabinet Member for Finance to progress the details of the scheme to refurbishment and extend the Coroners Court at Horseferry Road. totalling an estimated £558,900, subject to a detailed review of the business case and specification of works.

## 9 INTEGRATED SEXUAL HEALTH - AGREEMENT OF CONTRACT AWARD (Agenda Item 9)

The Cabinet Member for Adult Social Care presented the report regarding Integrated Sexual Health – contract award. He asked members to note that this contract was to provide services across three boroughs; Merton, Wandsworth and Richmond. Members were pleased to note that provision in the east of the Borough was well supported by the successful bid.

## RESOLVED

That Cabinet:

- A. Notes the tender process has adhered to Corporate Procurement Procedures, EU Procurement Regulations and the new contract will afford the Council with on-going year on year performance and value for money benefits
- B. Notes the procurement process and endorses the award of the contract to the successful Bidder, as outlined in Part 2 of the Report. The contract will commence 01 October 2017 and be for an initial period of five (5) years with the option to apply two periods of extensions of one year each, subject to satisfactory performance, availability of budget and continued need at the discretion of the Council in partnership with London Boroughs of Richmond-upon-Thames and Wandsworth. The maximum possible contract period would be no more than seven years.
- C. Notes that the current proposed model, subject to negotiations with the provider, will be further enhanced for the provision for east Merton residents.

London boroughs of Richmond-upon-Thames and Wandsworth are supportive of more detailed work between the three boroughs to ensure that the Hub and Spoke allocation is responsive to the evidenced need across the regional (tri-borough) patch.

## 10 LOCAL AUTHORITY PROPERTY COMPANY (Agenda Item 10)

The Cabinet member for Environment and Regeneration presented the report on the proposed Local Authority Property Company that would allow the Council to provide additional housing in the Borough.

Cabinet thanked all the Officers involved for their work on this project.

### RESOLVED

That Cabinet:

- A. Note the work that has been carried out to date in relation to the setting up of a wholly-owned local authority property company ("LAPC").
- B. Approve the setting up of a wholly owned local authority property company.
- C. Approve the business case for the local authority property company.
- D. Agree the proposed governance arrangement set out in this report.
- E. Agree to:
  - i. Establish a Sub-Committee of Cabinet and (subject to (iii) below) delegate to that Sub-Committee authority to exercise the Council's rights and responsibilities as shareholder of the company;
  - ii. Nominate Members to sit on the Shareholder Cabinet Sub-Committee;
  - iii. Delegate to the Director of Environment and Regeneration authority to take decisions on matters reserved to the Council in circumstances where the expenditure to be incurred in any one instance does not exceed two hundred and fifty thousand pounds (£250,000)
- F. Delegate, to the Chief Executive and Monitoring Officer, authority to set up the company including finalisation and approval of all relevant documentation, and registration with the Registrar of companies.
- G. Note that appropriate amendments will need to be made to the Council's constitution with respect to the Cabinet Sub-Committee and that Cabinet recommend to Full Council the appropriate amendments.
- H. Recommend to Full Council, the capital investment funding of £13,022m for the first four sites plus working capital of up to £4m.
- I. Delegate to the Director of Corporate Services the finalisation of the loan agreement between the Council and the LAPC .

- J. Recommends to Council an allocation of a further £10 million in the capital programme for the strategic acquisition of sites, subject to the business case for each acquisition is agreed by the council's Property Asset Management Board.
- K. That Cabinet (approval will also be required by full Council):
  - i. Approve the increase in the Capital Programme to reflect the proposals in this report, and
  - ii. Approve the revised Treasury Management Strategy inclusive of revised Prudential indicators

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## **Committee: Cabinet**

**Date: 17 May 2017**

Wards: All

## **Subject: Constitution of Committees**

Lead officer: Paul Evans – Assistant Director of Corporate Governance

Lead member: Leader of the Council

Contact Officer: Louise Fleming – Senior Democratic Services Officer (020 8545 3616)  
[democratic.services@merton.gov.uk](mailto:democratic.services@merton.gov.uk)

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### **Recommendations:**

That the Cabinet:

- A. agrees to appoint two Cabinet members and two substitute members to the South West London Joint Waste Management Committee as detailed in Appendix A to this report.
- B. agrees to appoint two Cabinet members, to the 'Along the Wandle Group' as detailed in Appendix A to this report.
- C. agrees to appoint the Leader of the Council to the South London Partnership Joint Committee, as detailed in Appendix A to this report.
- D. agrees the term of reference for the South West London Joint Waste Management Committee as detailed in Appendix B. These terms of reference have also been included for information in the Constitution of Committees and Outside Bodies report to Annual Council.
- E. agrees the terms of reference for the London Borough of Merton Local Authority Property Company Sub-Committee, set out in Appendix C to this report. These terms of reference have also been included for information in the Constitution of Committees and Outside Bodies report to Annual Council.
- F. agrees to delegate to the Chief Executive the authority to fill vacancies on the bodies detailed at recommendations A and D on the nomination of the Party Whip of the group with a vacant position.

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## **1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY**

- 1.1. To establish and appoint to those bodies for which the Cabinet has the responsibility to do so.

## **2 DETAILS**

- 2.1. Constitution of committees is carried out annually by the Council. Those committees which carry out executive functions or are advisory to the Cabinet need to be appointed by the executive following the Annual Council meeting.

### **3 ALTERNATIVE OPTIONS**

- 3.1. The Cabinet has a discretion over whether it appoints any of the committees referred to in the recommendations.

### **4 CONSULTATION UNDERTAKEN OR PROPOSED**

- 4.1. Party Groups have been consulted on their membership of these bodies.

### **5 TIMETABLE**

- 5.1. The committees' advisory bodies established by Cabinet will come into effect immediately.

### **6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS**

- 6.1. None

### **7 LEGAL AND STATUTORY IMPLICATIONS**

- 7.1. None for the purpose of this report.

### **8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS**

- 8.1. None for the purpose of this report.

### **9 CRIME AND DISORDER IMPLICATIONS**

- 9.1. None.

### **10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS**

- 10.1. None.

### **11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT**

Appendix A: List of bodies to be constituted by Cabinet

Appendix B: Terms of Reference for the South West London Joint Waste Management Committee

Appendix C: Terms of reference for the London Borough of Merton Local Authority Property Company Sub-Committee

### **12 BACKGROUND PAPERS**

- 12.1. None.

## APPENDIX A

### CABINET APPOINTMENTS – LABOUR APPOINTEES 2017/18

ORGANISATION	LABOUR	CONSERVATIVE	MERTON PARK IR	OTHER
Along the Wandle Group (formerly Wandle Valley Regional Park Trust) (2 seats)	Cllr Nick Draper Cllr Laxmi Attawar			
South London Partnership Joint Committee (1 seat)	Cllr Stephen Alambritis			
South West London Joint Waste Management Committee (2 seats)	Cllr Martin Whelton Cllr Ross Garrod  Subs: Cllr Mark Allison Cllr Nick Draper			

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**South West London Joint Waste Management Committee**

**Membership: 2 – (Substitutes allowed)**

**Constituted by: Cabinet**

**Powers and Duties determined by: Cabinet**

**Authority: Cabinet**

**Functions:**

To advise the Cabinet on the South London Joint Waste Committee whose primary function is to make arrangements for the disposal of waste, provide places for the deposit and disposal of waste and to advise the Participating Councils on the delivery and separation of waste. The Participating Councils are the London Boroughs of Merton, Croydon and Sutton and the Royal Borough of Kingston. The specific functions of the Committee are set out in Schedule 1 of the Constitution of the Committee operating under the name of the South London Waste Partnership.

Each Council has two seats on the Committee with only one vote per borough.

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**LONDON BOROUGH OF MERTON LOCAL AUTHORITY PROPERTY COMPANY  
(LAPC) SUB-COMMITTEE**

**TERMS OF REFERENCE**

**Membership: 3**

**Constituted by: Cabinet**

**Powers and Duties determined by: The Localism Act 2011**

**Authority: Cabinet**

**Purpose:**

To act as the Shareholder Board for the London Borough of Merton Local Authority Property Company (LAPC)

**Functions:**

To exercise all rights and responsibilities of the Council as shareholder, including but not limited to agreeing the company's annual business plan and funding arrangements and monitoring progress against the business plan on behalf of the Council.

**Reserved Matters:**

The list of matters reserved for Shareholder approval is as set out in Schedule 1 of the Shareholder Agreement.

**Delegated Functions:**

The Director of Environment and Regeneration will have delegated authority to take decisions on reserved matters in circumstances where the financial expenditure to be incurred, in any one instance, is below two hundred and fifty thousand pounds (£250,000)

**Quorum: 2 Members of the Cabinet**

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## Exempt or confidential report

The following paragraph of [Part 4b Section 10 of the constitution](#) applies in respect of information given in **Appendix 1** of this report and it is therefore exempt from publication. Members and officers are advised not to disclose the contents of this report:

Information relating to the financial or business affairs of any particular person (including the Authority holding that information)

## Committee: Cabinet

**Date:** 17 May 2017

### Agenda item:

**Wards:** Perseid School is located in St. Helier Ward but serves a wider area

**Subject:** Expansion of Perseid School (Upper campus) – contract award for construction works

**Lead officer:** Yvette Stanley - Director of Children, Schools and Families

**Lead member:** Cllr Caroline Cooper-Marbiah – Cabinet member for Education

**Contact Officer:** Tom Procter – Head of Contracts and School Organisation

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### Recommendations:

- A. The council award the contract for the school expansion construction works for Perseid School as outlined in the confidential appendix.
  - B. To agree that the 2016/17 unspent schemes budget can be slipped to 2017/18 and to vire £254,000 within the Children, School and Families capital programme as set out in the financial implications section in appendix 1
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## 1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 Perseid Special School provides for children with severe and complex learning difficulties. The purpose of this report is for Cabinet to approve the contract award following a competitive tender process and to vire £254,000 from a Children, Schools and Families capital underspend to ensure there is sufficient budget to progress the scheme.

## 2 DETAILS

- 2.1. Perseid Special School provides for children with severe and complex learning difficulties for children on two sites – a lower school for nursery to the end of the primary phase (age 11) and an upper phase for secondary and post-16 (age 11 to 19).
- 2.2. To meet demand the lower school expanded from 56 to 84 pupils and is essentially full to the revised capacity. This cohort of children start to reach upper school age in September 2017 so there is an urgent need to expand

- the Upper School to meet demand, and so also provide for 84 places for ages 11-19. For some time, provision for this expansion of an additional 28 places has been planned in the council's capital programme.
- 2.3. Officers have worked closely with the school to develop a suitable scheme. This has been particularly challenging as the original school was built on a playing field with relevant planning restrictions, the aim to ensure the school building can still function as now to serve the school in grouped National Curriculum Key Stage age phases, and the ventilation strategy required for children with specific special needs. As a result the expansion is more complicated than originally envisaged with extensions in three separate places. The scheme was approved by the Planning Application committee on 20 April 2017.
- 2.4. With regard to procurement strategy, experience from recent tenders suggested that medium sized management contractors are currently providing competitive prices for this value of work. Therefore, in accordance with treaty principles and in order to ensure good competition, it was decided that a procurement process that was initially accessible to all firms for selection would provide the best value for money.
- 2.5. The works were therefore procured through a restrictive procurement process in compliance with Contract Standard orders and the Public Contract Regulations 2015 (sub-OJEU). The process was undertaken through the ProContract London tenders portal E-tendering system.
- 2.6. The selection stage enabled a short list of five suitably experienced construction companies to be shortlisted through submissions of a Selection Questionnaire, and then the selected contractors were invited to tender on the basis of compliance and price.
- 2.7. The second stage tender documents were issued to five contractors for return on 11 April 2017. The confidential appendix to this report details the tender analysis and recommendation.

### **3 ALTERNATIVE OPTIONS**

- 3.1. Since the Lower School has already been expanded the only practical option to ensure a consistent education is to expand the upper school to match the capacity of the lower school.
- 3.2. The design team progressed a number of alternative options with the school before agreeing the design strategy that was progressed
- 3.3. As outlined in section two, a review of procurement options concluded that best value for money could be achieved through a restricted competitive tender rather than accessing a compliant Framework.

### **4 CONSULTATION UNDERTAKEN OR PROPOSED**

- 4.4 The scheme was developed in consultation with the school and the design was subject to consultation as part of the planning application requirements.

## **5 TIMETABLE**

- 5.1. The works will commence shortly after this approval. A phased approach is required to ensure the school can continue to operate during the construction works and it is expected they will be completed in early 2018.

## **6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS**

- 6.1. The capital budget implications are contained in the confidential appendix.
- 6.2. With regard to revenue funding for school placements, if this scheme does not proceed the council would still have a statutory obligation to provide a school place for the children and, without any places in its special schools, it would need to be Independent special school provision. The average cost per place for an Independent day-provision is £44,163 when the cost for Perseid is £29,290. There is therefore a significant financial incentive to provide sufficient in-house provision, in addition to the need to provide continuity for the children. Costs are currently charged to the Dedicated Schools Grant (DSG) which is a fixed government grant and the new school funding arrangements may contribute to putting future cost pressure on the High Needs Block element. There is therefore a risk that if cost pressures continue and depletes the DSG reserve, that our statutory duty to provide education services may need to be topped up from the Council's General Fund.
- 6.3. The council's General Fund needs to meet the cost of home to transport for children. Officers have demonstrated that this cost is considerably less expensive when transporting to a LB Merton state funded special school compared to an independent or out borough school. This expansion will therefore reduce the impact on home to school transport costs from additional SEN children.

## **7 LEGAL AND STATUTORY IMPLICATIONS**

- 7.1. This is a below OJEU threshold procurement and accordingly is not subject to the full rigours of the public contract regulations, but has been procured in accordance with the Treaty principles of transparency, equal treatment and non-discrimination and in accordance with the tender documents issued to all bidders.

## **8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS**

- 8.1. Additional school places at Perseid School will contribute to the Authority providing access to secondary school places for all its residents, including children with special educational needs (SEN).

## **9 CRIME AND DISORDER IMPLICATIONS**

- 9.1. There are no specific crime and disorder implications

## **10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS**

- 10.1. All capital schemes have a financial risk but the scheme is recommended to be awarded with a contingency.

- 10.2. Health and safety is being considered carefully to ensure there will be a clear separation between pupils, teachers and parents and construction works, especially in the context of a working school.
- 10.3. The project is being managed under project management methodology and a risk log is held and reviewed at project board meetings.
- 11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT**
- 11.1. Appendix 1 (exempt)
- 12 BACKGROUND PAPERS**
- 12.1. None

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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