

Strategy and Resources Committee**29 March 2021****STRATEGY AND RESOURCES COMMITTEE****29 March 2021 at 7.30 pm**

MEMBERS: Councillor Ruth Dombey (Chair), Councillor Jayne McCoy (Vice-Chair) and Councillor Manuel Abellan (Vice-Chair) and Councillors Jenny Batt, Sunita Gordon, Amy Haldane, Marian James, Steve Penneck, Mo Saqib, Tom Drummond, Neil Garratt, Param Nandha, James McDermott-Hill, Holly Ramsey and Tim Foster

ABSENT None

49. WELCOME AND INTRODUCTIONS

The Chair, Councillor Ruth Dombey, welcomed the watching public and those present.

50. APOLOGIES FOR ABSENCE

There were no apologies for absence.

Apologies for lateness were received from Councillor Param Nandha, who joined the meeting at 19:40.

51. DECLARATIONS OF INTEREST

During Item 8 - Asset Strategy Update - Councillor Sunita Gordon declared a non-pecuniary interest as a governor of Carshalton College, which had a small amount of office space within the Denmark Road offices.

52. MINUTES OF THE PREVIOUS MEETING

RESOLVED: that the minutes of the meeting held on 8 February 2021 be agreed as an accurate record.

53. ANY URGENT BUSINESS

There was no urgent business.

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54. COVID-19 UPDATE

The Chair invited Helen Bailey, Chief Executive, to present the report. The Chief Executive was joined by Dr Imran Choudhury, Strategic Director of Public Health and Wellbeing, and Sam Barker, Assistant Director of Customers, Transformation and Strategy.

The Chief Executive explained that as of the meeting date some COVID-19 restrictions had been lifted and that approximately 50% of all adults in the UK had already received their first dose of COVID-19 vaccines.

Dr Choudhury explained the rate of infection per 100,000 people in the borough was currently close to 29, which had reduced from 287 per 100,000 people as of the last committee date and 1,100 shortly before that.

Mr Barker outlined the council's ongoing support to the borough and the council's workforce.

The committee noted the breadth of work the council had been undertaking, the ongoing work with businesses and other facilities in the borough as a result of the relaxation of restrictions, and the WorkWell programme introduced to establish to what extent a flexible working approach across offices and home-working would be pursued for council staff.

The committee discussed the positive return to schools in the borough, noting the 93% attendance rate which exceeded the London-wide average of 90% attendance.

RESOLVED:

1. To note and endorse the actions detailed in this report.

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This item was taken following item 11 as the final item on the agenda.

The Chair invited Simon Latham, Interim Strategic Director of Regeneration, Housing and Planning, to present the report. Mr Latham was joined by Mandar Puranik, Programme Manager - Area Renewal and Regeneration.

The committee noted the intention of the Sutton Works proposal was to provide both a community and shared working space rather than one or the other. The committee discussed the loss of office space in central Sutton over previous years, the changing approach to workplaces, and the wider market for similar spaces in the borough.

The motion to exclude the public and press for the remainder of the meeting was moved by Councillor Dombey and seconded by Councillor Gordon.

RESOLVED: that the public and press be excluded from the remainder of the meeting on the grounds that discussion would involve the likely disclosure of exempt information as defined in paragraph 3, Schedule 12A, of the Local Government Act 1972.

Members discussed the robustness of the procurement process.

An amendment to the recommendations was moved by Councillor Neil Garratt to remove recommendations 2.1 and 2.3 and replace them with the following:

To agree that prior to appointing the operator partner listed in exempt appendix B as the 'preferred operator' for Sutton works, the Strategic Director of Resources will carry out due diligence on the successful bidder's financial strength and experience in carrying out projects on this scale, along with market research to demonstrate the level of demand for this service in Sutton and assessment of competitors, reporting back to the Strategy and Resources Committee for authorisation to proceed.

This was seconded by Councillor James McDermott-Hill. The proposed amendment was put to the vote and fell.

RESOLVED:

1. To appoint the operator partner listed in exempt appendix B as the 'preferred operator' for Sutton Works.
2. To confirm capital funding of up to £5.8m comprising £3.6m of Council investment and £2.2m external funding.
3. To delegate authority to the Strategic Director of Resources (Section 151 Officer) to:
 - a. Complete the planning stage work;
 - b. Enter into a Development Agreement to carry out the refurbishment project;
 - c. Enter into the agreed lease to operate the hub project; with the 'preferred operator'.

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56. ASSET STRATEGY UPDATE

The Chair invited Councillor Sunita Gordon, Lead Member for Resources, and Richard Simpson, Strategic Director of Resources, to present the report. Mr Simpson was joined by Mark Norrell, Assistant Director of Assets, and Emily Nice, Assistant Director, HR and Organisational Development.

Mr Simpson explained the sale of Denmark Road and adjacent sites could deliver three key outcomes: savings of circa £430,000 per annum in revenue spending on maintenance of the site; capital receipts on sale of the site; and the introduction of further housing, including affordable housing, in the borough.

It was noted by Simon Latham, Interim Strategic Director of Regeneration, Housing and Planning, that the staff who would ordinarily work from the Denmark Road offices site had been involved in pilot schemes regarding flexible working and by Ms Nice that staff surveys in the past year had shown staff reporting as feeling supported when working across various locations and reduced sickness absence in staff reporting overall.

RESOLVED:

1. To agree that the Denmark Road office and car park sites are formally declared surplus for operational use and, through the WorkWell programme, staff are integrated into the existing Civic Centre accommodation.
2. To agree that development proposals for residential development on the Denmark Road office and car park sites are brought forward and to authorise the Strategic Director of Resources and the Assistant Director of Assets to negotiate and agree terms for the disposal of both sites on the best terms available and which are considered in the best financial interests of the Council and to enter into such legal documents as are required to facilitate such disposal. To note that the first option to purchase the land will be offered to the Council's housing company Sutton Living Limited.
3. To note that further work is being progressed on the council's longer term accommodation requirements.

57. INVESTMENT PROPERTY PORTFOLIO PERFORMANCE UPDATE

The Chair invited Councillor Sunita Gordon, Lead Member for Resources, and Richard Simpson, Strategic Director of Resources, to present the report.

The committee noted that the portfolio had been successful over the last four years and contributed approximately £12m in net income to the council. It was noted that the 2020/21 revenue forecast was approximately £4 million, which was below budget but still covered the fixed costs of the portfolio. It was also noted that the council had established a number of arrangements with tenants for flexibility in payment of outstanding sums in light of the COVID-19 pandemic and its significant effects on businesses.

RESOLVED:

1. To note the performance of the Investment Property Portfolio in the 2020/21 financial year and actions taken to mitigate the financial impact of the COVID-19 pandemic.
2. To note that a detailed annual report will come to the Strategy and Resources Committee later in 2021.

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58. PROCUREMENT OF INTEGRATED HUMAN RESOURCES AND PAYROLL SYSTEM, AND MANAGED PAYROLL SERVICE

The Chair invited Councillor Sunita Gordon, Lead Member for Resources, and Emily Nice, Assistant Director of HR and Organisational Development, to present the report.

RESOLVED:

- 1. To delegate to the Strategic Director of Resources the award of the contract for the Integrated HR and Payroll System in accordance with the conditions set out in this report.

59. CHANGES TO CONTRACT STANDING ORDERS

The Chair invited Sam Barker, Assistant Director of Customers, Transformation and Strategy, to present the report.

The committee noted that the proposals had been discussed at the Constitutional Working Group.

RESOLVED:

- 1. To recommend to Council the changes to the Contract Standing Orders attached at Appendix A.

60. EXCLUSION OF THE PUBLIC AND PRESS

The motion to exclude the public and press was moved during the *Sutton Works* item.

The meeting ended at 10.25 pm

Chair:

Date:

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